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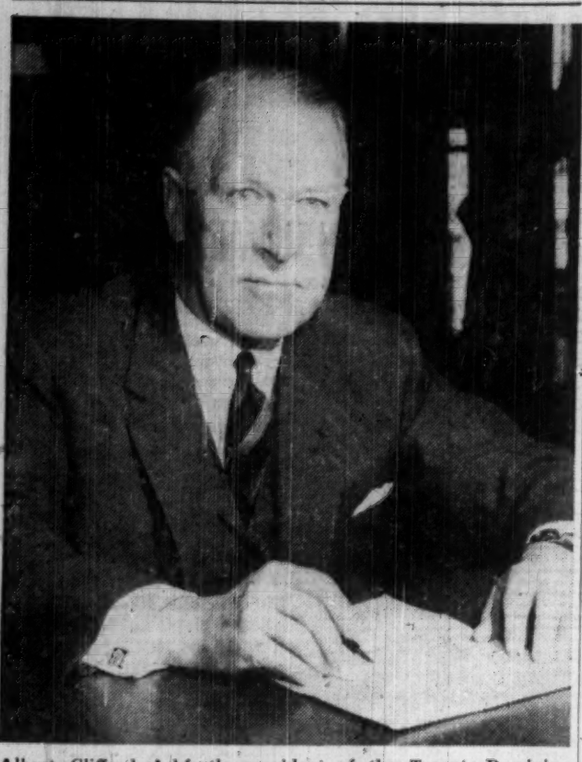
Heads Canadian C. of C.



Albert Clifford Ashforth, president of the Toronto-Dominion Bank, this week was elected president of the Canadian Chamber of Commerce at the annual meeting in Montreal which took a close look at many national problems.

(Personality sketch, p. 6; reports on Chamber conference, pp. 18, 38, 39.)

NATION'S BUSINESS

Inflation Fear Is Rising Peril

Not inflation itself — but the fear of inflation, a panic flight from the dollar, is now a matter of the utmost gravity for everybody in North America.

Both Canada and the United States are climbing out of the recession. But that rather minor and in many respects salutary adjustment is now being replaced by an extremely menacing inflation psychology.

The stock markets soar on at very high levels. By all traditional standards, average stock levels of 18 times earnings are awfully high. The same figure before the 1929 mess was only a few points higher.

The flight of Canadian individuals away from Canadian government bonds is an extremely grave symptom of pending trouble.

Even at yield rates which are very attractive compared with average stock yields, Canadians have been moving Canadian government securities out of their personal holdings at a rate which should deeply concern our government.

Bonds bought and held by individuals represent real savings and, as such, are anti-inflationary. But bonds in the banking system do not have this virtue; their effect on the general economy may be the reverse.

Speaking to the Federation of Mayors and Municipalities, the Canadian Prime Minister found it necessary to make the appalling admission: "Investors outside the banking system have largely lost the habit of buying government bonds, apart from savings bonds which can supply only a fraction of the national needs."

This public unwillingness to hold government bonds even at the very attractive yields offered in the recent giant conversion loan is still further evident in this disturbing fact: Since the conversion loan was announced in July there has been a decline in the amount of government bonds held by individuals and non-bank institutions.

An inflation psychology can be almost as bad as the disease itself and the consequences just as painful.

To stem this peril demands wise and, above all, really courageous leadership by government.

Deficit financing is a dangerous device but Canada is committed to it for the present. Until business is unquestionably on the road to health, it would seem to be the necessary course.

So far it is those segments of the economy directly affected by government spending which are showing the main strength. The pickup in private business is not yet so evident.

But it will take alertness, wisdom and above all courage on the part of our government to get to balanced budgets as soon as possible.

It must follow a policy which lays the groundwork for preventing worse trouble later on. It must make it plain that it really intends to follow the hard—and to some unpopular—course of keeping the dollar sound.

* * *

"Buy Canadian — It Pays"

President J. Herbert Smith of Canadian General Electric had excellent advice for Canadians when he spoke to the Ontario Industrial development conference. He addressed his remarks to local governments, but they could usefully be heeded by many others. His point: Many Canadian firms could expand—and serve Canada better—by taking on the manufacture of products and components which they now import. And Canadian buyers could help this process by looking for local sources capable of turning out the goods they need.

This is not a matter of buying at home regardless of cost. Goods that can be produced more cheaply elsewhere will continue to be bought elsewhere. But in the boom years since the war, many firms have found it easy to grow simply by turning out more of their traditional products.

The many changes in the pattern of Canadian manufacturing —its greater diversity and its improved competitive position— haven't been adequately understood by many Canadians who buy and handle manufactured goods.

In these circumstances, there's plenty of room for a get-acquainted campaign—not an old-fashioned "Buy Canadian At Any Cost" approach, but "Buy Canadian—It Pays."

As Mr. Smith points out, local development boards can take a useful initiative, by bringing together producers and suppliers who might find it profitable to get together. This goes beyond the ordinary boundaries of salesmanship, because changes of this nature may require reappraisal at the highest executive level.

* * *

A Great Industrial Milestone

An important milestone in Canadian industry was reached this week when the last of 1,815 Sabre jet fighters rolled off the Canadair assembly line at Montreal.

The original Sabres were designed in the U.S. and Canadair made them on license. Later Sabres were fitted with Canadian-designed Orenda engines and were then everywhere acknowledged to be the best Sabres in the sky and the best plane of its type and its era.

This Sabre job demonstrates the increasing diversity and capability of Canadian industry — not just at Canadair but among the scores of other companies in Canada which contributed parts and components.

The Sabre job cost totalled $560 millions. But about 65% of that sum eventually found its way to federal, provincial and municipal treasuries through taxes of all kinds.

So when Canada goes abroad to shop, the cost to the Canadian people may be very high — in tax revenues not gathered, in worker incomes not earned, in industrial maturity deferred.

New Era Ahead On Defence Work

U.S. talks in Ottawa, Avro move on new missile to speed transition . . .

Two important moves were made this week to speed up decisions about the future employment of Canadian defence industry.

1. Three assistant secretaries from the U. S. services were due in Ottawa Thursday to open talks about Canada's bid to share in the production of defence equipment.

They were: Dudley C. Sharp, assistant secretary of the U. S. Air Force (materiel), Frank H. Higgins, assistant secretary of the U. S. Army (logistics), and Fred A. Bantz, assistant secretary of the U. S. Navy (materiel).

Accompanying them were civilian officials of the Defence Department concerned with procurement; and a working discussion was planned with the hope that provision might be made for continuing talks on particular lines in which production arrangements could be pooled.

2. In another important move, A. V. Roe Canada Ltd., with RCAF and Defence Production support, took first steps to adapt the CF105 Arrow to a U.S.-built weapons control system and U.S. missile.

(On Sept. 23, Ottawa canceled Canadian contracts for the Astral fire control system and Sparrow missile.)

A party headed by A.V.M. John Plant, president of Avro Aircraft, and A.V.M. John Easton, chief of telecommunications for the RCAF, visited the **Hughes Aircraft Company's** plant in California and returned to Ottawa by mid-week.

With them were officials of the Defence Production Department.

Hughes make the weapons control system now proposed for the Arrow, known as MA 1. It fires the Falcon missile, now in production for USAF, which in its atomic form is called Genie.

The Hughes system is in use in U. S. planes, and Avro officials are confident the Arrow can be altered "fairly easily" to carry this system.

Adaptation of the Arrow to the alternative weapon and control system is covered by the government's old development contract with Avro covering 37 pre-production models.

But a decision to let Avro produce 100 production models could be taken at any time. The more progress the company can show on the necessary adaptations, and the more economies it can make, the better the chance will be for a production contract.

(See p. 8)

Stocks Ride to New Highs Buying Prods Mines, Gas

By FRANK KAPLAN

Stock markets are staging a big celebration as they approach the first birthday of a climb from the rock bottom of late October last year.

The current market picture:

- **Strongly rising prices** with activity increasing as more and more sideline sitters jump on the bandwagon.
- **Buying spreading** from top industrials into mining and oil stocks.

Analysts and veteran investors, puzzled by the continuation of an advance which they predicted some time ago was overdue for a reaction, can only ride along with the climb.

Business recovery and inflation fears are the most commonly mentioned explanations for the gains. Ample money supplies are a potent factor.

At mid-week, this is where rapidly changing stock markets stood.

- **Canadian industrial stocks** are up some 27% from their lows of the year on the Toronto Stock Exchange index and are at the highest levels since August 1956.
- **U.S. issues** show a 24% gain (as measured by the Dow-Jones industrials) from the year's lows and are 2% above the previous highs. Public interest in stocks appeared to broaden out as the key 524 level on the Dow-Jones was broken.
- **Base metal stocks,** led by better prices for copper, push ahead for a 20% rise from the year's lows and are at the highest points since August 1957.
- **Western oil and gas stocks,** paced by surging interest in natural gas developments, climb to the best levels since October 1957 and are up 15% from 1958 lows.

Here's how some individual issues have climbed recently.

	Latest Price	Mid-Sept.
	$	$
Bank Nova Scotia	70½	62½
Bailey Selburn	10⅛	8.80
Dominion Stores	74	69
Imperial Oil	46¾	44
Intl. Nickel	86	82½
Ford A	103½	96⅛
Noranda	51½	44⅞
Powell River	36¼	35¾
Steel of Canada	69¾	65¾

Yule Forecast:

Sales May Beat '58

By RICHARD OGDEN

Good news for Canadian retailers: Christmas sales should equal — probably exceed — last year's record level.

Also the buying of better quality gifts will continue.

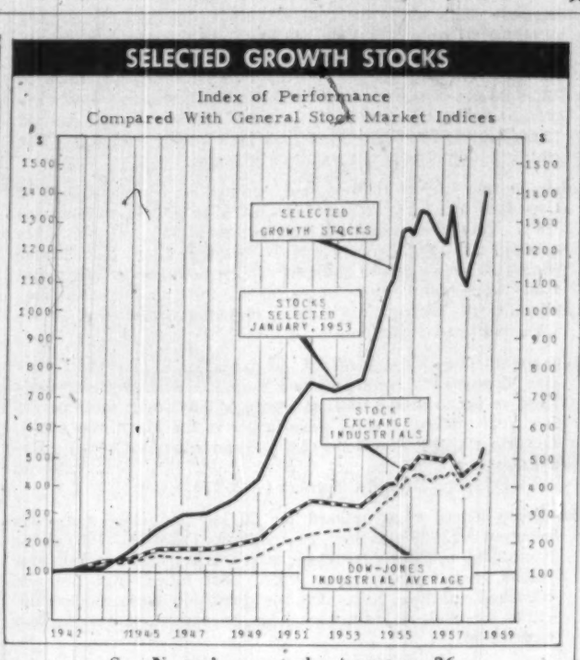
That's the word from **Simpsons-Sears** whose Christmas catalogue is in the mail.

A glance at the new edition shows:

- **Prices generally:** About the same as last year.
- **A notable exception:** Major home appliances, where there will be some substantial price cuts.

Company is enlarging its "Buy now—pay next year" plan which it introduced last year.

This appears to be in line with the thinking of many retailers who expect Christmas buying will reach its peak still later this year, since Christmas Day falls on a Thursday. This has been the trend for the last few years.



See Nestor's quarterly report p. 36

Rumors About Gas Exports Help Two Pipeline Stocks

By W. L. DACK

As signs increased this week that the long-awaited interim report of the Borden Energy Commission was near at hand, market activity in two gas pipeline stocks boiled up to new fever pitch.

On Monday and Tuesday, **Trans-Canada Pipe Line** stock traded 11,230 and 11,900 shares respectively on the Toronto and Montreal markets, holding close to the 1958 peak price of $38½ a share, established last Friday. (This represents a 46% gain since mid-July; an 85% hike since first of the year).

There has been a strong parallel performance by **Alberta Gas Trunk Line Co.** — the firm that will collect the gas in Alberta and deliver it to Trans-Canada. The stock traded a whopping 29,000 shares at Toronto on Monday, moving up to a 1958 peak of $22½ a share and representing one day's dollar turnover of close to $640,000.

Although government and Borden Commission members have maintained strict silence on the recommendations in the forthcoming report, there has been spreading belief in investment circles that they will be favorable to Trans-Canada's gas export hopes. The steadily mounting share turnover in the last few weeks has reflected the rush of many investors to get into the stock before the announcement.

At the same time, many investors have been drawing favorable interpretations from the recent Federal Power Commission action in Washington.

In an effort to speed up the decision on which of several companies will be given the go-ahead to serve parts of the big U. S. mid-west market, **Midwestern Gas Transmission** asked that the FPC Examiner's recommendation on its application be dispensed with and the final oral argument of all competing parties be heard immediately.

The FPC's ready agreement to this accelerating move and its setting of Oct. 14 for the final oral arguments has been interpreted as favorable to the Midwestern case. Midwestern — a wholly-owned subsidiary of Tennessee Gas Transmission— is the company proposing to import 200 million cu. ft. of Canadian gas daily from Trans-Canada.

Once all sides have presented their final oral argument—and each company will be limited in time — the full Commission will then go to work on preparation of the decision, with a good chance for a late November statement.

How Auto Makers Upgrade Prices on the New Models

By RODNEY TOUCHE

The plain fact: Most of the 1959 cars will cost $100-$200 more than last year.

While announcements have yet to be made by the manufacturers in Canada (except in the case of Buick and Oldsmobile), if they follow the pattern set by parent companies in the U.S., the increases will be mostly within this range.

The lowest-priced 1959 Buick is approximately $150 more than the equivalent 1958 car. Some of the higher-priced Buicks have been reduced. The Oldsmobile price is about $90 more than 1958.

In the case of the lowest-priced cars of the Big Three, whose prices have yet to be announced in Canada, the not-so-plain question arises: What will the buyer get for the money?

From present indications it is clear that pricing of 1959 cars is going to be even more complex than usual.

The reason: In the case of at least two of the Big Three, price increases are likely to be obscured by shuffling the names of models.

How is a shuffle done?

Here, in theory, is one simple way:

Manufacturer X has three quite closely related models in the low-priced field; Model A priced at $2,800, Model B at $2,950 and Model C at $3,100.

To obscure a price hike in the following year's models, Model A is called B and priced at $2,950; Model B is called C and priced at $3,100; Model C gets a new name and a new price.

What happens to Model A's name? It is dropped. This process is described in the industry as "upgrading."

Naturally, in the final event, the procedure is not as blunt as this. For one thing, the models all have new styling. A direct comparison is not valid. For another, so many variations are possible in standard and optional equipment that conditions from one year to the next are not similar.

But, basically, this is the procedure that was seen last year when Ford's low-priced models, Custom, Custom 300 and Fairlane, appeared in 1958 under the names Custom 300, Fairlane and Fairlane 500. (The Custom was dropped). A company official looks back on the process now as "a change of nomenclature."

This year, General Motors and Chrysler are adopting the pattern.

For 1959, General Motors' low-priced Chevrolet models, formerly Delray, Biscayne and

(Continued on page 8, col. 4)

Signs and Portents

MORE COMPETITION with Canada will come from Japan in the newly-opened British markets for tinned salmon, other products. Tinned salmon production targets have been upped 300,000 cases over last year's 535,000 total. More advertising is planned in the U.K., too.

* * *

THIS FALL WILL SEE the first commercial product using electroluminescence. This is the laboratory process that aims to make drapes, ceilings and wall panels light up. Westinghouse now has a night light ready for marketing.

* * *

EXPECT INTENSIFIED interest in atomic radiation for sterilizing pharmaceuticals and extending shelf-life of foods. Geneva atom conference reports showed that moderate doses of radiation do not produce the "off" flavors noted in earlier experiments.

* * *

KEEP FORMER P.C. leader George Drew in mind in calculating who will be next governor-general. That's the recurring suggestion in circles close to Drew's London headquarters, where he is completing first year as Canadian High Commissioner. Possible reason: Drew is reported anxious to get back to Ottawa.

* * *

NOTE THE BOOMING income of Ford in the U. K. Record first half earnings of £6.9 million compared with £4.9 million and £5.9 million in 1957's first and second halves. Out of total first half sales of 228,773 cars, 117,602 were exported. But export markets (other than North America) are now reported to be slackening.

* * *

PROTECTIONISTS take note. Lowering of tariff barriers among members of the European Common Market, far from damaging weaker members, has stimulated better production methods and increased turnover.

How Much Recovery?

The Outlook

An FP roundup of the latest facts and expert opinion on the economic weather ahead . . .

By DALTON ROBERTSON

Recovery is rolling along in both Canada and the U.S. Neither economy, as yet, holds promise of repeating the old free-wheeling 1955-57 boom. But the pace of the current upswing is quickening and the day of over-all decline seems firmly behind us.

How sturdy the Canadian recovery has been can be seen by the performance turned in by these indicators which are adjusted to take into account purely seasonal factors:

Item. Housing contracts running double those of a year ago during September and 46% above their June low this year.

Item. Contracts for business, industrial and engineering construction, lumped together, advanced in September 22% above year-earlier totals to stand 38% above their low point last February.

Item. Fast-rising stock market where, in September, industrial common stock prices advanced an average of 7% over month-earlier and year-earlier levels to stand 21% higher than the low point touched in April this year.

Item. Corporate profits after declining from mid-1957 to early 1958 moving up again. Estimates for the third quarter call for a return close to year-before levels and a 14% gain over the first three months of this year.

Those are four of six indicators which have traditionally pointed out the direction in which the whole economy was about to go. The two others—average number of hours worked in manufacturing plants and wholesale prices of industrial materials—have been holding their own for several months.

* * *

Those are the "leaders" which signal a change in the pace of business and they add up to an optimistic outlook.

General Research Associates, Toronto research consultants responsible for producing the indicators, add to the leaders two other groups of guideposts—"coincident" indicators which move with business activity and "laggers" which trail behind.

And the performance of the coincident items and the laggers gives added reason for brighter forecasts.

General Research comments:

"The most encouraging feature among the coincident business indicators has been a modest but healthy advance in Gross National Product in the second quarter despite a continuation of inventory liquidation.

"This is third quarter in which business has been 'selling off the shelf' and it is expected that liquidation will cease in the fourth quarter at latest.

"Even if no substantial addition is then made to working stocks, the transition implies a more pronounced rise in production for the last months of the year."

Laggers, such as retail trade, are also maintaining gains made during the summer and with personal incomes on the rise and consumer spending little changed, there's a plus factor for sales in the months ahead.

* * *

That's the trend. But while most signposts are now pointing up for Canadian planners, there is still some way to go before new records are reached.

Two reasons for caution: What happens if the pace of housing activity slows? What happens if government spending is dampened down? Those two factors sparked the business recovery.

The cost of borrowing through bond issues is on the rise—and this could make mortgage lenders less eager to pour money into Canadian housing. And interest rates will, over-all likely continue up, thanks in most part to recurring federal deficits over the next few years.

What do these possibilities mean to businessmen? Dr. A. K. Eaton, former assistant deputy minister of finance, comments:

"There is such clear evidence of (recovery) that monetary policy may soon find itself concerned again with inflation. Already there are signs in the U. S. of renewed restraint.

"Thus, it is quite possible that in Ottawa we will shortly hear of monetary policy being directed towards combating inflation—while government fiscal policy (because of deficits) is still feeding the fires of inflation through deficit financing."

Prime Minister Diefenbaker in Montreal this week gave an indication of the shape of things to come when he told the Federation of Mayors and Municipalities:

"Investors outside the banking system have largely lost the habit of buying government bonds. To convince them is a major task which will take time.

"The only alternative would be to rely entirely on the banks to meet our needs. Such a course would intensify the problem of inflation."

That could add up to this: Higher yields on outstanding bonds, larger coupons on new issues—and where government bond yields go, corporates will have to follow.

Summer Accident 'Season' May Boost Insurance Rates

By H. R. SUYDAM

After two years of having to jump auto insurance rates, insurers are weighing the pros and cons of giving Canadian car owners a breather.

Their final decision is still far from certain.

Next year's rates are based largely on what happened this year. But what looked like a definite improvement in underwriting experience earlier has just recently turned for the worse.

As a result, the insurance industry at the moment is in a quandary.

The recently released "Green Book," the rate-setting bible for some 300 companies operating in Canada, tabulates figures on underwriting experience that might even allow a 5% cut in auto rates.

What dismays insurance men is that after this improved experience in first-half 1958 shown in the Green Book, claim frequency has increased at an alarming rate. For the past three months, claims have been running at the discouraging level of 1956 and 1957.

With the recession, people weren't spending as much on autos, avoided unnecessary trips, cut purchases of new cars. This showed up not only in lower gasoline sales and car sales in first-half 1958, but in fewer claims because there were fewer cars on the road.

With the upturn in general business and in public confidence, cars are back on the road and claims are mounting.

It all adds up to slim chances for lower rates, possibly slightly higher ones.

Details, p. 26.

Shetland all-wool
Tweed from Scotland

styled and tailored to give a feeling
of self-confidence and ease,
the minute it rests
lightly on your shoulders.

Typical of the comprehensive range of tweed sport coats by

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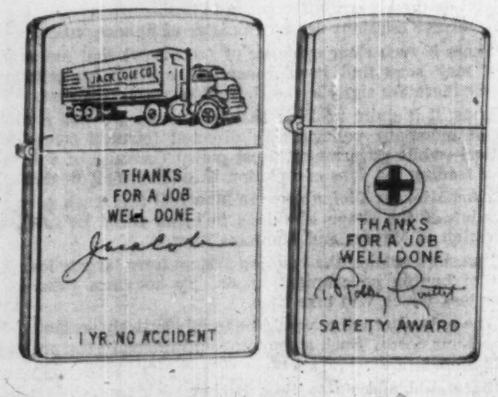

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Trend of Business

Canada's trade balance moves out of the red. For the first time this year Canada sold more than she bought. August exports valued at $416 million more than offset month's imports worth $389 million. Compared with the same month last year, exports are down 5% and imports 17%. Biggest cut in imports has been from the U.S., down 20% in August against an eight-month average decline of 15%.

Living costs show slight increase. Canada's consumer price index (1949=100) rose 0.3% from 125.2 to 125.6 between August and September. Increases in street car and bus fares moved the services index up 0.7%. The food index rose from 122.6 to 122.9 due to a substantial increase in egg prices and lesser increases for bread, citrus fruits, canned juices and some canned fruits and vegetables. Beef and pork prices declined. The clothing index eased as a result of fall sales.

Labor income higher than a year ago. Wages and salaries of Canadian workers in July amounted to $1,335 million, up 1.8% from the year-earlier total of $1,312 million. This brought the January-July total to $8,959 million, 2.6% larger than last year's $8,729 million. Gains in manufacturing and trade were mainly responsible for the month's increase. Declines were recorded in a number of primary producing industries and in construction.

Department store sales level off. August sales totaled $98.2 million, down 0.3% from previous August. This brought year's sales so far to $769.5 million, a gain of 3.6% over same period last year. Month's sales were larger in the Maritimes (2%), Ontario (0.9%), Manitoba (5.6%), and Alberta (2.3%). Decreases were shown in Quebec (—4.7%), Saskatchewan (—4.4%), and British Columbia (—2.3%).

Wholesale prices edge upward for 30 key industrial materials between Aug. 29 and Sept. 26, the index (1935-39=100) rising from 228.9 to 229.4. Increases were led by steers, copper, raw cotton, raw rubber, rayon yarn, beef hides, iron ore and bleached sulphite pulp. On the downside were modest declines for sisal, tin, raw wool, hogs, linseed oil, raw sugar, oats and wheat.

Overseas wheat sales continue to lag. Export clearances of Canadian wheat in the week ending Sept. 17 fell 3.5% to 3.6 million bu. from 3.7 million bu. sold in the same period last year. This lowered cumulative clearances since Aug. 1 by 12% to 30.9 million bu. from 35 million bu. a year ago. Visible supplies of Canadian wheat on Sept. 17 totaled 388 million bu. vs. 389 million bu. a year earlier.

Carloading decline steepens. Number of railway cars loaded in the week ended Sept. 21 declined 11.1% to 78,179 cars from 87,938 a year earlier. This brought loadings since the beginning of the year down 7.9%. Fewer cars were used during the week for wheat, coal, iron ore, nonferrous ores and concentrates, crude gypsum and pulpwood. Loadings of lumber, timber and plywood increased.

A look next door. U. S. steel output, at 68.5% of rated capacity, was at highest level since middle of last November, reports Dun & Bradstreet in weekly trade review. Freight carloadings were slightly improved, but still off 9%. Output of electric power was running 5.5% ahead of last year and crude oil production was up 4.1%. Business failures were 3.6% less than in same period last year.

Major Weekly Indicators

	Latest Date or Week Ended		Previous Week	Previous Month	Year Ago
Department store sales, % change from year earlier	(Sept. 27)	—2.5%	+8.3%	+6.8%	+1.2%
Carloading totals	(Sept. 21)	78,179	78,647	76,678	87,938
Eastern Canada	(Sept. 21)	51,268	51,447	49,588	58,634
Western Canada	(Sept. 21)	26,911	27,200	27,090	29,304
Iron and steel mfg.	(Sept. 21)	1,033	1,143	987	1,472
Ores, concentrates	(Sept. 21)	9,765	10,015	9,957	12,811
Base metals	(Sept. 21)	594	570	614	488
Lumber, timber, plywood	(Sept. 21)	5,121	5,124	5,169	3,999
Cement	(Sept. 21)	869	974	903	1,042
Passenger car production	(Oct. 4)	3,733	3,149	550	1,290
Truck production	(Oct. 4)	1,094	1,185	510	304
Chartered Banks					
Personal savings . ($ millions)	(Sept. 24)	7,005	7,011	6,942	6,270
Loans outstanding ($ millions)	(Sept. 24)	5,121	5,164	5,121	5,457
NHA mtg. holdings ($ millions)	(Sept. 24)	708	700	682	530
Bank of Canada holdings of					
Securities ($ millions)	(Oct. 1)	2,749	2,762	2,713	2,399
Short-term govt. .. ($ millions)	(Oct. 1)	366	438	1,422	1,179
Long-term govt. .. ($ millions)	(Oct. 1)	2,287	2,228	1,196	1,173
Other securities .. ($ millions)	(Oct. 1)	46	45	46	12
Bank Clearings:					
Montreal ($ millions)	(Oct. 2)	1,336	836	914	1,361
Toronto ($ millions)	(Oct. 2)	1,845	1,267	1,131	1,994
Cdn. dollar (U.S. cents, av.)	(Oct. 3)	102.505	102.584	102.473	103.379
T.S.E. industrial index	(Oct. 7)	503.17	494.78	480.04	423.15
Yield 114 stocks	(Oct. 6)	4.26%	4.36%	4.38%	5.39%
Bus. fail. 4-wk. moving av. (no.)	(Sept. 25)	20	16.5	19.2	23.7
Steel ingot production ... (tons)	(Sept. 27)	57,019	57,941	47,481	N/A
% of capacity	(Sept. 27)	50.1%	51%	41.7%	N/A

Facts by the Month

WHAT WE PRODUCE—	Latest Month		One Month Previous	Two Months Previous	One Year Previous
In all industries (Index)	July	278.1	293.9	282.2	283.7
In factories (Index)	July	271.1	291.6	280.7	277.5
Total nondurable goods (Index)	July	244.1	260.2	247.7	244.9
Food & bev.	July	285.3	289.2	257.6	282.9
Textiles	July	116.8	159.2	152.9	127.3
Clothing	July	139.2	144.7	147.8	140.6
Chemical products	July	309.1	322.6	326.4	295.0
Total durable goods (Index)	July	313.5	340.6	332.2	328.5
Iron & steel products	July	267.6	291.8	289.3	307.9
Primary iron & steel	July	340.4	387.5	372.7	389.7
From mines (Index)	July	304.5	305.6	280.0	309.0
Metals	July	181.5	201.2	179.7	163.5
Nonferrous smelting, refining	July	271.8	285.3	284.2	218.3
Gold	July	105.7	110.1	106.3	102.1
—From farms					
Cattle delivered (000)	July	141	176	137	153
Hogs grade (000)	July	375	495	415	316
Flour	July	125.8	145.4	152.0	121.5
—From sea					
East Coast catch ($000)	July	3,619	5,755	6,675	3,275
W Coast catch ($000)	June	3,476	2,221	600	2,610
—From forests					
Newsprint (000 tons)	July	508	482	588	549
*Pulp (000 tons)	Aug.	827	792	796	869
—In powerhouses					
Electricity (million kwh.)	Aug.	7,581	7,671	7,463	6,878
WHAT WE SELL—					
Retail sales ($ millions)	July	1,253	1,367	1,373	1,322
*Dept. store sales ($ millions)	Aug.	98.2	89.3	99.9	98.4
Wholesale sales ($ millions)	July	672	712	732	671
Mfrs. outstg. orders ($ millions)	July	2,282	2,273	2,342	2,749
Pass. car sales (units)	July	34,978	38,770	39,797	35,593
WHAT'S ON HAND—					
Mfrs. inventories ($ millions)	July	4,587	4,631	4,863	4,793
*Dept. store stock sales ratio	Aug.	2.9	2.4	2.7	2.9
SPENDING, SAVING POWER—					
*Labor income ($ millions)	July	1,335	1,350	1,312	1,312
Dividend payts. (Index) (annual rate)	Sept.	309.6	309.3	303.8	328.7
JOBS—					
Persons with jobs (000)	Aug.	6,025	6,023	5,794	6,047
Jobless seeking work (000)	Aug.	281	291	320	176
Do. (% of labor force)	Aug.	4.4	4.6	5.2	2.8
CONSTRUCTION—					
Contract awards ($ millions)	Aug.	321	317	383	338
FOREIGN TRADE—					
Exports ($ millions)	Aug.	416	413	428	437
Imports ($ millions)	July	485	449	427	554
MONEY—					
Money supply ($ millions)*	June	12,192	11,962	11,870	11,313
Cheques cashed ($ millions)	July	19,766	19,710	20,867	19,160
Life insurance sales ($ millions)	Aug.	371	333	467	399
Notice deposits	July	7,276	7,151	7,053	6,666
Current public loans ($ millions)	June	5,157	5,244	5,247	5,467

*Total deposits, less Govt of Canada deposits, less float, plus notes in circulation outside the banking system.

PRICES—					
*Consumer price (Index)	Sept.	125.6	125.2	124.7	123.3
*Wholesale price (Index)	Sept.	227.1	226.8	227.0	227.9

STRATEGIC MATERIALS—Production and Supply—	Latest Month		Month yr. ago	Yr. to date	% chge. yr. to date
Steel ingots and castings (000 tons)	June	403.3	427.9	2,365.0	—11.0
*Nickel (000 tons)	July	13.8	15.8	106.3	—4.4
*Primary copper (000 tons)	July	31.1	26.4	226.4	+16.5
Lumber exports (millions fbm.)	June	327.2	327.5	1,718.7	+2.3
Lumber (millions fbm.)	June	777.9	726.3	3,539.9	+1.5

Index based: production 1935-39=100; consumer price index 1949=100; wholesale price index 1935-39=100.
Date of issue for your file. The Financial Post, October 11, 1958.
*New item this week.

Look For It Here

October 11, 1958

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THE INVESTMENT FUNDS

Canada General Fund Net Assets Rise 9.5%

Canada General Fund Ltd., second largest Canadian mutual investment company owned predominantly by U. S. investors, reports net asset value of $13.30 per share at Aug. 31, 1958, 9.5% higher than $12.15 per share at May 31, 1958.

Total net assets were $85,759,791, up 9.5% from $78,312,770 three months earlier.

Net investment income for the year ended Aug. 31, amounted to $1,966,453 or about 27c per share, said President H. T. Vance.

Mr. Vance noted that the number of preferred stocks in the portfolio has been reduced.

Here are the portfolio changes made during the quarter ended Aug. 31:

	Shares held at Aug. 31/58	Change since May 31/58
Common:		
Cdn. Devon. Pet. Ltd.	27,700	—28,700
Confed. Life Assoc.	....	—4,315
Gt. Lakes Power Corp.	18,900	+2,000
Manufact. Life Insce.	....	—2,430
Preferred:		
B.C. Electric Co. 4½%	2,460	—1,360
B.C. Tel. Co. 4¼%	....	—3,300
B.C. Tel. Co. 4½%	....	—450
Can. Safeway Ltd. $4.40	1,995	—1,870
Loblaw Companies $2.40	....	—7,900
Pow. Corp. of Can. 4½%	....	—1,455
Western Grocers $1.40	2,925	—1,675
Debentures:	$	$
Cdn. Delhi O. 5½% '73	*145,000	+145,000

*Face amount.

Dow Canada Plans Big 'Poly' Program

Dow Chemical of Canada is introducing a new family of high-density polyethylenes to the Canadian market.

Pending completion of company's new high-density polyethylene plant at Sarnia in 1959 the material will be imported and sold to Canadian molders and extruders.

At the same time Dow has started on an active market development program for the new polyethylene material.

Currently, major applications for high-density polyethylene are containers for both industrial and household products, housewares, toys, bottles, film for use in packaging a wide variety of products, and pipe.

Carling Plans To Build New $15 Mill. Plant

Carling Breweries Ltd. has announced plans for a $15 million brewery to be built in Etobicoke, west of Toronto. The plant, which will cover five of the company's 50 acres at the junction of highways 401 and 27, will be completed by the spring of 1960.

As the company's tenth plant in Canada, it will have an initial capacity of 750,000 bbl. a year which in a three-stage expansion could be increased to 2 million bbl. yearly, states President C. O. Dalton.

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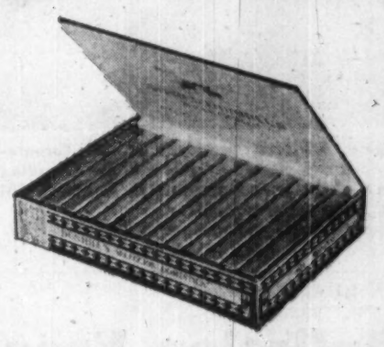

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Simpson's
TORONTO
BAY STREET ENTRANCE

'First Delivery' Canadian Crude

First delivery of Western Canadian crude oil to the new **Cities Service Oil Co.** refinery at Bronte, was made this week.

The refinery, which is expected to go on stream in the near future, represents an additional outlet for Canadian crude.

The new refinery will have a capacity of 20,000 bbls. a day.

THE *Selling touch*

The effect on sales is always good . . . sometimes very good . . . but usually DRAMATIC when a product goes out in a modern Plax bottle. Brands have increased their sales with no other impetus. New products have soared to the top of the market in sales-winning Plax bottles.

And a detailed costing reveals the fact that what looks like luxury packaging is often low cost. For lightweight Plax bottles can wipe out half the shipping weight of the containers. Breakages and returns are something that need never be considered because Plax bottles cannot break.

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Watch 'Calypso Sell' Pep Our Indies Trade

By ROBERT W. McRAE

KINGSTON, Jamaica—Canadian products from boats and brassieres to broom handles will be the big show in Jamaica and Trinidad early next year.

They will get top billing in two calypso-style sales carnivals, sponsored by Canada's Department of Trade and Commerce.

Two Canadian trade fairs: That's our follow-up to the 20-man Jamaican Trade Mission which went to Toronto and Montreal earlier this year (**FP**, Jan. 18).

More than 200 Canadian businessmen will be journeying to the tropic isles to put out the big sell for their products.

Trade Minister Churchill will open the two shows:

- Kingston, Jan. 16-25.
- Port-of-Spain, Feb. 20-March 1.

Some Canadian businessmen are making a "private trade mission" out of the trade fairs.

A. C. Ashforth, president-elect of the Canadian Chamber of Commerce, is organizing special TCA flights to ferry top businessmen to both shows.

Mr. Ashforth, president of **Toronto-Dominion Bank**, told **FP**: "Our load limit's 60. We simply cannot accommodate all those who wish to go.

"We've had to restrict our party to a truly representative cross-section of Canadian businessmen."

Most major business groups will be represented.

- Ian F. McRae, president, Canadian Manufacturers Association, and chairman of the board, **Canadian General Electric Co.**
- Frank T. Sherk, of the Canadian Exporters Association, and president, **H. J. Heinz Co. of Canada.**
- H. Norman Davis, president of the Canadian National Millers Association, and president, **Ogilvie Flour Mills.**

"Trade association leaders have been given preference over persons who are simply heads of individual firms," says Mr. McRae.

"Where no trade association exists, key men from the industry involved will be going along."

The sugar industry, for example, will be represented jointly by A. B. Hill, **Acadia-Atlantic** president, and J. R. Crawford, president of **St. Lawrence Sugar.**

This group will remain in Jamaica throughout the Kingston Fair, then move on to Trinidad for a repeat schedule of committee meetings and trade parleys.

Following the Trinidad show, it will visit British Guiana, then double back to Barbados, then home to Canada.

D. G. W. Douglas, co-ordinator of the Canadian Trade Fairs in the West Indies, tells **FP** that **Trinidad booth space is now fully sold out.**

Jamaica sales will be wrapped up shortly.

Mr. Douglas is chief of the Consumer Goods Division, Commodities Branch of the Department of Trade and Commerce.

For his current Caribbean Trade Fair project, **Mr. Douglas has full government support.**

Ottawa will pick up the tab for organizing and operating the shows.

Canadian naval units will be on hand for the openings.

Restaurants, playgrounds, and "typical Canadian entertainment" will be provided.

Canada also pays the cost of moving the exhibits 1,000 miles from Kingston to Port-of-Spain.

Yet space charges for exhibits are nominal.

Stands run from $1.50 to $2 sq. ft.

Exhibitors have their problems, though.

Truck Engineering Ltd., Woodstock, Ont., tells **FP** that it plans to exhibit a hydraulic-lift, public utility carrier.

It can tote 100 telephone poles or handle the largest reels of power or telephone cable.

Company is happy about taking it down. But nobody wants to bring it back.

Best solution: Sell it in Kingston or Port-of-Spain.

But that will require a special dollar allotment from the country concerned. They're working on that right now.

With regard to those dollar credits, W. D. H. Frechette, manager, commercial intelligence department, CMA, says that each exhibitor will receive a flat $2,000 Fair Trade allotment outside of the Canada/British West Indies Trade Plan.

The governments of both Trinidad and Jamaica are extending this concession.

Says Frechette: "Sample products taken down can thus be more readily sold in Trinidad or Jamaica to test acceptability, and at the same time help defray the exhibitor's costs."

To help exhibitors, shipping lines will slash their rates.

Says F. L. Parson, president, **Saguenay Shipping Ltd.:**

"As a subsidiary of a company that must export to live, Saguenay Shipping Ltd. is vitally interested in promoting Canadian exports.

"We feel that we can best contribute to the Jamaica and Trinidad Trade Fairs by carrying exhibitors' displays safely and at the lowest possible freight rate."

The consequent Saguenay rate quoted amounts to less than half the combined rates normally in effect from Canada to Jamaica and from Trinidad to Canada.

Kerr Steamship Ltd. and **March Shipping Agency Ltd.** have followed through with comparably substantial rate reductions.

The Trinidad fair sold out first. Why?

Take a look at the exhibitors list.

For one thing you will note that the shoe and clothing firms have, to an extent, passed up Jamaica in favor of Trinidad.

Jamaica's Industrial Incentives Law puts the home producer in these categories in the driver's seat.

Dudley Levy, Jamaica Chamber of Commerce president, told **FP** that the Jamaica government has prohibited the import of all foreign made footwear, except under special permits.

Same thing for underwear and other articles of clothing.

Of course, if you start a subsidiary plant in Jamaica you're in through tax remission benefits and tariff protection.

Bata Shoes are one of Jamaica's prime producers.

In another category, **Noma Lites Canada Ltd.** hopes to have its Jamaican subsidiary producing bulbs by March next year.

U. S. parent of Toronto's **Lovable Brassiere Co.** has given this foreign subsidiary angle a novel twist.

Raw materials go down from the U. S. to Jamaica, come home in finished form.

Jamaica's Export Industry Encouragement Law fosters the process.

Jamaica has another trade hurdle that Trinidad hasn't.

The Trinidad power system is compatible with Canada's. Jamaica's is not.

Canadian-owned **Jamaica Public Service, Ltd.,** generates over 95% of the island's electricity. But it's 40 cycles, 220 volts.

A conversion program is on the books. But it won't be completed until 1961 at the earliest.

In this regard, note that Toronto's **Easy Washing Machine Co.** is exhibiting in Trinidad, not in Jamaica.

But most firms are exhibiting in both fairs.

They realize that without Customs Union, West Indies Federation is far from becoming an economic fact. And the Union is five years away at least.

Trinidad and Jamaica still remain two distinct markets, 1,000 miles apart.

You must deal with each on a decidedly different basis.

Meet Our West Indies Trade Men

KINGSTON, Jamaica—Who's who in Canada's Caribbean trade service?

Top man in the Canadian service is now **R. C. G. Smith,** commissioner for the West Indies.

MR. SMITH

With the founding of the BWI Federation, Ottawa moved Smith to his new post from Washington where he had been Minister (commercial).

P. T. Eastham continues as assistant Canadian government trade commissioner in Port-of-Spain, as does **Maxwell S. Strong,** in Kingston, Jamaica.

MR. EASTHAM

Prior to confederation of Newfoundland with Canada in 1959, Mr. Strong was trade representative for the Newfoundland Fisheries Board in Athens and Naples.

Post-federation, he was appointed Canadian trade commissioner (fisheries specialist) in Naples, then on to Rome as commercial secretary (fisheries).

Good news in the trade service shuffle is fact that **Howard E. Campbell** will return to Kingston for a further three-year stint as Canada's Trade Commissioner for Jamaica, British Honduras and the Bahamas.

MR. STRONG

This return to Jamaica is at Campbell's own request.

It's to complete the trade promotion job he got rolling in his preceding term of Caribbean office.

Mr. Campbell hails from Nelson, B.C. Has an Arts degree from University of California, a B.Com. from McGill.

He was navigator with the Pathfinder Squadron during the war.

MR. CAMPBELL

First peacetime job was as manager for **Bruck Mills Ltd.,** Montreal, then on to market survey analyst for **Young and Rubicam, Ltd.,** advertising agency.

Campbell joined the Canadian Trade Commissioner Service in 1947; following year was posted to New York as vice-consul and assistant trade commissioner.

Mr. Campbell was transferred to Johannesburg in 1951 and in 1955 to Kingston, Jamaica, as trade commissioner.

DUDLEY LEVY

Mission Switches $1 Million Sales

KINGSTON, Jamaica—Does the hoopla approach that underlies trade fairs and trade missions actually pay off?

"Definitely yes," says **Dudley Levy, president of the Jamaica Chamber of Commerce.**

Levy, along with **Hon. Willis O. Isaacs,** Jamaica Minister of Trade and Industry, headed up the Trade Mission to Canada last January.

Jamaican products worth $40 million had moved north to Canada in 1957; only $19 million worth of Canadian items had moved back.

Yet $56 million of purchases had been made in the U. S. So the imbalance wasn't a question of dollar availability.

Levy's group came north to see if they could buy more Canadian.

"We found we could," says Levy.

"Our Trade Mission Follow-Up Committee has figures to show that already nearly $500,000 of new business has been switched to Canada in the wake of our journey north.

"By the year end, the total should come close to a million. And from there it should snowball further.

"Mr. Isaacs and myself are looking forward to welcoming Mr. Churchill and his trade fair participants.

"Jamaica wants to buy Canadian.

"As we said when we came north last January: **'If you've got it, we'll buy it.'**

"And for the first time in a generation, we have the dollars to carry through," he says.

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Building Cost Is More than A Price Tag

After the basic requirements for a new building have been established, the first question to be asked by the owner is invariably "How much will it cost?"

How much, indeed? And what does the owner understand cost to mean? Is it simply the money required to put up a structure of minimum specifications to meet a need? Or does it also include the longer range, but nevertheless inescapable, factors of cost of upkeep, efficiency of use, durability, and flexibility for operational changes and future expansion.

Cost is many things more than the initial price tag. No one is more acutely aware of this than the practising architect. It is his fundamental concern to interpret his client's need in relation to the capital and operating costs of the building.

This is why he will study in detail his client's problem before completing his design. This is why he will prepare comprehensive working drawings and specifications that may run to 150 pages or more, to contractors bidding on the job. This is why during the course of construction he exercises close control over materials and workmanship. This is why his pride of achievement does not end with the completion of the building, but lasts throughout the life of the building.

Can you afford to build without this protection?

Before you build — consult an architect.

ONTARIO ASSOCIATION of ARCHITECTS

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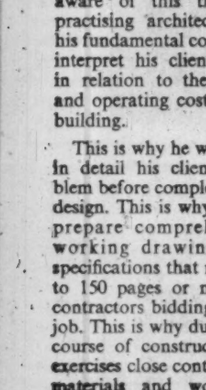
Companies on Display

Here's the latest list of Canadian companies exhibiting in the 1959 Caribbean trade fairs:

Who	Where: Jamaica	Where: Trinidad
Abbey Co.		X
Aluminium Ltd.	X	X
Arborite Co.	X	X
Avalon Hosiery Ltd.	X	X
Best Form Brassiere Co.	X	X
Brandram-Henderson Ltd.	X	X
Buckley-Brooks Hat Mfg. Ltd.		X
Canada Belt Co.		X
Canadian Industries Ltd.	X	X
Canadian Lady Corset Co.		X
H. Corby Distillery Ltd.	X	X
Daly & Morin Ltd.		X
Dominion Lock Co.	X	X
Dominion Textile Co.	X	X
Exclusive Leather Products Corp.		X
Feature Footwear Ltd.		X
Graceline Footwear Ltd.		X
Harley Mfg. Co.	X	X
Henderson & Smyth Ltd.	X	X
Jaymore Ltd.	X	X
Frank P. Lalonde Ltd.	X	X
LaDiva Shoe Co.	X	X
Midway Industries Ltd.		X
The Nalpac Co.		X
Peerless Rug Co.		X
Royal Typewriter Co.	X	X
Silhouette Inc.		X
Howard Smith Paper Mills Ltd.	X	X
Vineberg Pants & Sportswear Ltd.		X
Viola Knitting Mills Ltd.		X
Washmor Frocks Inc.	X	X
Comfort Kimona & Dress Mfg. Co.		X
Stotland Dress Inc.		X
Utex Corp.		X
Halickman Bros. Ltd.		X
Harvine Sportswear Ltd.		X
Bral Furniture Co.		X
Art Knitting Mills Ltd.		X
Elite Neckwear Mfg. Co.		X
Fainer Knitting Mills Ltd.		X
Gordon Clothing Ltd.		X
Ideal Doll & Toy Mfg. Co.		X
Imperial Quilt Mfg. Co.		X
Judy's Lingerie Inc.		X
Scarves & Allied Arts Ltd.		X
B. Tepner & Co.		X
Style Guild Inc.		X
Kenley Mills Corp.	X	X
A. & R. Curtain Mfg. Co.		X
Standard Overall Mfg. Co.		X
Association of Consulting Engineers of Canada	X	X
Bank of Montreal	X	X
Paul Importing Co.	X	X
Royal Bank of Canada	X	X
Saguenay Shipping Ltd.	X	X
Sun Life Assurance Co. of Canada	X	X
Trans-Canada Air Lines	X	X
Alwyn Lighting Products Ltd.	X	X
Anaconda American Brass Ltd.	X	X
Bulldog Electric Products Co. (Canada)	X	
Bulova Watch Co.	X	X
Canada Packers Ltd.	X	X
Canada Wire & Cable Co.	X	
Canadian Flour Export Committee	X	X
Chatelaine Industries Ltd.		X
The Coleman Lamp & Stove Co.	X	X
Dominion Auto Accessories Ltd.	X	X
Easy Washing Machine Co.		X
Dee & Cee Toy Co.	X	
Interlake Tissue Mills Co.	X	X
International Patented Products Ltd.	X	X
Kelton Corp.	X	
Moffats Ltd.	X	X
Noma Lites Canada Ltd.	X	X
O'Keefe Brewing Co.	X	X
Lovable Brassiere Co.		X
Geophysical Engineering & Surveys Ltd.	X	X
Breadner Co.	X	X
Burroughs Machines Ltd.	X	X
Canadian Canners Ltd.	X	X
Canadian Sardine & East Coast Herring Industry	X	X
Canadian Westinghouse Co.	X	X
Chesley-Sarnes of Canada Ltd.	X	
Crowdertrack Ltd.	X	X
Federal Textiles Co.	X	X
Industrial Shipping Ltd.	X	X
J. W. Kilgour & Bros. Ltd.	X	
McGlashan Silverware Ltd.	X	X
Maritime Lumber Bureau	X	X
Mohawk Handle Co.	X	X
Newfoundland Assn. of Fish Exporters	X	X
Nicholson File Co. of Canada	X	X
Outboard Marine Corp. of Canada	X	X
Primco Ltd.	X	X
Joseph E. Seagram & Sons Ltd.	X	X
T. S. Simms & Co.	X	X
Truck Engineering Ltd.	X	X
Hiram Walker & Sons Ltd.	X	X
West Bend Aluminum (Canada) Ltd.	X	X
W. C. Wood Co.	X	
Wolverine Tube Division of Calumet & Hecla of Canada Ltd.	X	X
Clinton Hosiery Mills Ltd.	X	X
Dominion Life Assurance Co.		X
T. Eaton Co.	X	X
Bank of Nova Scotia	X	X
Fisheries Assoc. of B. C.	X	X
Gilson Mfg. Co.	X	X
Brantford Washing Machine Co.		X
New Brunswick Dept. of Trade and Industry	X	X
Nova Scotia Dept. of Trade and Industry	X	X
Catelli Food Products Ltd.	X	X
Playtex Ltd.	X	X
Dorothea Knitting Mills Ltd.	X	
J. Gherman	X	X
A. Shevell Co.	X	X



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ANNOUNCEMENT

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Mr. G. M. Huycke, Q.C., chairman, announces the appointment of Mr. F. J. Chilcott as manager consequent upon the resignation of Mr. D. G. Barnard which took effect from the 30th September, 1958. Mr. Chilcott, who has been Assistant Manager of the Mercantile & General Reinsurance Company of Canada since 1954, assumed his new appointment on the 1st September, 1958.

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Note

By Vincent Egan

This week's offering of **British American Oil** common stock may well mark the beginning of a new wave of corporate equity financing. **Bell Telephone** is to make another rights offering soon, and more chartered banks will probably follow suit.

With stock price averages now at or near their record highs, stock issues can produce more capital than ever before. The weakness in bond markets, on the other hand, has made corporate borrowing extremely expensive.

* * *

Bond prices have, however, shown some recovery this week. Announcement that B-A would issue stock, rather than bonds as expected, served to remove some of the pressure on bond markets.

* * *

While B-A is issuing two million npv shares at $40, controlling **Gulf Oil Corp.** will take up 1,156,200 of them. This leaves 843,800 shares to be offered to the Canadian public, representing $33,752,000 in new capital.

Although no rights are being issued, B-A has instructed the underwriting group to give "every consideration" to orders from existing shareholders.

* * *

It is expected that **W. C. Pitfield & Co.** will shortly offer $20 million **British Columbia Telephone Co.** 5¼% first-mortgage bonds, noncallable for 15 years, at 99 to yield 5.40%.

* * *

Maison Bienvenu is offering $300,000 6% 1959-70 serial bonds of **St. Lawrence Gas Corp.** at par . . . **Campbell Chibougamau Mines Ltd.** is expected to issue $5 million 6% convertible debentures . . . **Nesbitt, Thomson** will offer $3.5 million **Reynolds Aluminum of Canada** 5¾% 20-year sinking fund debentures.

* * *

Municipals: **Montreal,** which completed $15 million financing recently (FP, Sept. 27), is said to be discussing its next issue already in New York . . . A $2-million borrowing by **London** is expected . . . **Regina** has issued $1,643,000 bonds; 5½% 15-year maturities are priced to yield 5.65%, and 5¾% 20-year and 25-year maturities at par . . . An $844,022 **Oshawa** issue yields 5.70% on eight-to-15-year bonds, 5.65% on 16-to-20 years . . . Yield is 5.55% on the six-to-20-year end of the $813,000 **Niagara Falls** issue **Orillia** has borrowed $770,000; 5¼% one-to-10-year and 5½% 11-to-20 year bonds are offered at par.

* * *

Current offering of stock of **Coronation Mortgage Co.** of Vancouver is the first such offering in the memory of several prominent men in the mortgage business. **Thomas B. Read Co.** is offering 8,000 npv common shares at $13.50, and 10,000 $2 cumulative convertible redeemable sinking fund preferred shares at par of $30. The four-year-old firm has just been converted to a public company.

* * *

Offer of $35 per share has been made to shareholders of Montreal's **Windsor Hotel.** Seldom traded, stock recently reached a 1958 high of $31; low, $21. Control was acquired last year by Swiss interests (FP, June 8, 1957).

* * *

A five-for-one split is planned by **Photo Engravers & Electrotypers Ltd.,** Toronto, of the 32,228 outstanding npv common shares. Stock hit a 1958 high of $75 this week (low, $43).

Notice is hereby given that the Continental Casualty Company has been granted Certificate of Registry No. C2061 authorizing it to transact in Canada the business of

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Explosion Insurance,
Inland Transportation Insurance,
Personal Property Insurance,
Plate Glass Insurance,
Real Property Insurance,
Sickness Insurance,
Theft Insurance and, in addition thereto,
Earthquake Insurance,
Falling Aircraft Insurance,
Hail Insurance,
Impact by Vehicles Insurance,
Sprinkler Leakage Insurance,
Water Damage Insurance,
Weather Insurance,
and
Windstorm Insurance,
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Why They're Moving

Facts and comment on what's going on in the market and rumors behind some of the moves.

By FRANK KAPLAN

The "new inflation era" talk that has been pushing stock market prices sharply higher for almost a year is creating some anomalous investment situations.

Yield, usually considered the key point in evaluating investment merit of an individual issue, appears to have been discarded by stock buyers. Emphasizing this is a comparative look at bond and stock yields.

Under normal conditions, bonds would be expected to offer smaller yields than common stocks because of their protective features. There is usually a fair spread.

Now, not only is the spread minor but in many cases bonds offer more returns than the common stocks of individual companies. Here are a few random examples.

	Stock Price $	Stock Yield %	Bond	Bond Yield %
Aluminium	31⅛	2.25	4½% 1973	4.84
Bell	41⅛	4.80	5% 1972	5.10
Canada Cement	34¾	2.88	5¼% 1976	5.36
Canadian Breweries	35	4.29	5% 1983	5.43
Consumers' Gas	35⅜	2.26	5% 1978	5.15
Imperial Oil	46⅜	2.58	3% 1969	3.49
Industrial Acceptance	34⅜	4.07	5½% 1978	5.56
Simpsons	28⅜	2.11	4¾% 1973	4.92

THE STREET IS TALKING ABOUT—the acceleration in the year-old rising market. Lows on many key industrial stocks were touched about last October. Markets have pushed steadily higher since, picking up speed after old highs were passed. One question being asked: What will be the impact of tax selling by U. S. investors? This juggling for tax purposes usually starts in October and is over by the end of November.

Interest continues brisk in the oil and gas industries. **B-A Oil** features briefly on news of plans to sell additional stock at $40. At $42¼ it is down from a recent peak of $45. Otherwise, oil and gas stocks are higher. **Alberta Gas** surges ahead to $21⅜ from $19½ recently and **Trans-Canada** at $37½ compares with $35½.

* * *

Bank of Nova Scotia is also a high spot as it confirms previous reports of intentions to get into the consumer lending business. Reaction is a surge to $70½ from a recent $65½. Other banks are also strong. **Imperial** at $59¾ is up from $55½. **Canadian Bank of Commerce,** lending on the "discount" basis for some time, flips to $55½ from a recent $50.

On the other side of the loan market fence were installment finance companies. **Traders Finance A** from a recent $44 slips to $39 but quickly rebounds to $43⅝ as investors begin to think that the banks' move into consumer loans isn't likely to have much effect on companies like Traders. Similarly **Industrial Acceptance** sags to $33½ from $36½ and then recovers to $35¾.

* * *

OTHER MARKETS—Over-the-counter dealings quicken with prices climbing strongly in line with the general stock market advance.

Thorncliffe Park bumps ahead to $9¼-$9¾ from a recent $8 level with demand believed largely coming from the U.S. **Canadian Delhi** is also in active demand as it climbs to $9⅛-$9⅜ from around $8⅛.

Westcoast Transmission reflects interest in gas with a $2 jump to $26½-$27. **Trans-Canada** units at $166-$168 are ahead from $163-$164 and **Quebec Natural Gas** units at $143-145 firm from $141-$143.

Halifax Insurance, rarely traded, edges ahead to $12 bid from $10¾-$11¾ with some interest appearing.

New Real Estate Plans Offered Under OSC Terms

Two new Toronto real estate syndicate trusts are to be offered to the public soon.

They mark the first public offering under the new ruling of the Ontario Securities Commission (FP, April 26), that the units of participation tendered under these plans are securities within the meaning of the Securities Act.

As such they must comply with the provisions of the act with regard to full disclosure in a prospectus of financial and other details to be filed with the commission.

It is understood that prospectuses covering offerings have been filed with the commission and have been approved.

The syndicates are sponsored by **A. H. Rushforth & Co.** and cover two apartment buildings.

The first, the Park Lane, is located on the north side of St. Clair Avenue, just west of Yonge St. The issues comprises 345 units of participation at $1,000 per unit. Estimated return on this investment is 8% per annum, prospectus states.

The second, Cliffview, is located at Pell St., Scarborough. This issue is made up of 485 units of participation with an estimated net revenue of 10% per annum.

Difference between the two plans is in the length of mortgage payout.

Steady Rise in Earnings Is Foreseen by B-A Oil

Up to 843,800 npv common shares of **British American Oil Co.** were offered this week by a group of investment dealers headed by **Wood, Gundy & Co.**

Remainder of the two million share offering — initially 1,156,200 shares — will be taken up by **Gulf Oil Corp.** of Pittsburgh, controlling shareholder of B-A.

Gulf will also buy in Canada, at $40, any of the 843,800 shares not purchased by the public. Stock of B-A closed at $42¼ on the Toronto Stock Exchange Tuesday.

Stock is not being offered in the U. S. No rights are being issued to other shareholders, but President E. D. Brockett said that the offering group had been instructed to give every consideration to existing shareholders in filling orders for new stock.

Company's current capital expenditures are running between $90 million and $100 million a year. Proceeds of the issue will be applied to this program.

Earnings of B-A currently show an improvement over first-half 1958, the president said. (They were $6.1 million in the half vs. $12.7 million a year earlier.)

"We expect earnings in 1959 to exceed earnings in 1958," he said. "We expect earnings to be steadily increasing over the next several years."

Gross earnings from natural gas distribution will reach an average in 1959—83; of $27.6 million a year if negotiations now under way, to obtain additional volume from **Trans-Canada Pipe Lines Ltd.,** are successful.

If all of B-A's proved and probable gas were under contract, Mr. Brockett said, annual gross income from this source could reach $50 million.

Choice of an unrestricted stock offering rather than an issue of right to existing shareholders was dictated, said Vice-President H. T. O'Neill, by these considerations:

—A rights offering invariably depresses a stock's price sharply.

—Company realizes less, because rights must be exercisable at between 75% and 80% of the stock's current market value.

—A time lag is created, since a rights offering must remain open longer than a stock offering.

—Smaller shareholders have a tendency to sell their rights, rather than exercise them.

—Security regulations in the U. S. would complicate a rights offering.

—Company wants to broaden the base of its stock ownership.

A bond offering under current market conditions, B-A officers said, would have had to be priced to yield 5.50% or more. At B-A's annual dividend rate of $1 per share, new stock will yield 2.50%.

U.K. Interests Plan Building For Vancouver

VANCOUVER — British capital has once again moved into Vancouver, this time to erect a 16-story, British-type office building at Granville and Hastings, the city's busiest intersection.

Construction will start in May when the existing building is torn down, said C. H. Shanks, executive vice-president of the newly-formed **U.K. Properties Ltd.**

Cost will be $2.4 million. British machinery and equipment will be used whenever possible, said Mr. Shanks. It will have British elevators, windows and other fixtures.

"We hope this building will be a U.K. showcase in Vancouver," he said. "We hope to get as many tenants with British interests as possible."

ANNOUNCEMENT

NORTH AMERICAN LIFE APPOINTMENT

P. R. BARTELLO, C.L.U.

North American Life has announced the appointment of P. R. Bartello, C.L.U., as a Superintendent of Agencies. Mr. Bartello was formerly manager of the Company's Toronto Uptown Branch.

Business Prospects

Our October "Review and Securities List" features an article on current economic conditions which assesses a number of factors that may influence the course of business during the months ahead.

The Securities List contains a diversified selection of Government and Municipal bonds and Corporation securities suitable for current investment.

A copy of our October "Review and Securities List" will be forwarded on request.

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ASSETS

Cash on hand and due from banks	$186,615,861
United States Government securities	246,382,012
State and municipal bonds and notes	54,066,557
Other bonds and securities	22,268,920
Loans and bills purchased	362,309,060
Accrued interest, accounts receivable, etc.	4,283,578
Stock of the Federal Reserve Bank	2,100,000
Investments in Morgan Grenfell & Co. Limited, Morgan & Cie. Incorporated, and 15 Broad Street Corporation	6,135,000
Banking house	3,000,000
Liability of customers on letters of credit and acceptances	10,574,488
	$918,535,476

LIABILITIES

Deposits: U. S. Government	$ 30,109,018
All other	726,609,637
Official checks outstanding	14,077,982
	$790,796,637
Accounts payable, reserve for taxes, etc.	9,980,629
Acceptances outstanding and letters of credit issued	30,599,488
Capital—$50,000 shares	35,000,000
Surplus	35,000,000
Undivided profits	17,158,722
	$918,535,476

United States Government securities carried at $52,051,738 in the above statement are pledged to qualify for fiduciary powers, to secure public moneys as required by law, and for other purposes.

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Yields Down, Price/Earnings Up

	— Change since Nov. 1954 — Price %	Earnings per share %	Yield — Recent %	Nov./54 %	Price/Earnings — Recent	Nov./54
4 Pulp and Paper	+22.5	—20.4	4.24	3.93	18.2	11.8
3 Metals	+34.7	—13.4	3.24	4.46	24.3	15.7
3 Utilities	+41.7	+26.1	3.46	3.85	19.2	17.9
3 Oils	+46.7	+2.1	2.54	2.72	22.3	14.8
1 Building Materials	+46.9	+41.3	3.40	4.17	13.2	12.7
2 Heavy metal products	+5.9	+18.3	4.61	5.59	7.8	9.2
4 Beverages	+21.9	+0.6	5.04	5.73	10.8	8.9
2 Textiles	—25.4	+11.5	2.62	1.96	28.3	42.1
1 Railway	+7.1	+39.7	5.00	5.36	11.1	14.4
1 Food Chain	+78.7	+130.5	1.27	2.13	10.4	13.5
1 Entertainment	—23.9	—25.1	7.23	5.61	14.8	14.6
1 Finance company	+47.0	+19.7	4.35	5.00	11.4	9.3
1 Pipeline	+92.7	+69.2	2.65	1.64	26.0	22.8
1 Business forms	+125.2	+60.3	2.63	4.15	16.5	11.8
Average 28 cos.	**+31.5**	**+12.9**	**3.78**	**4.10**	**15.1**	**13.2**
Average 9 golds, 5 base metals	**+6.8**	**—13.8**	**5.38**	**6.30**	**15.5**	**13.1**

A BACKWARD LOOK By PAUL S. DEACON

Stocks Seemed High Then Too

If '54 Prices Were Steep, Present Ones Steeper

Many investors are concerned about the current stock market. Prices, they feel are too high.

What makes life difficult, however, is measuring how high is high.

To provide one measure, a group of 28 industrial stocks and 14 mining stocks have been compared. Prices, earnings per share, yields, and price/earnings ratios are shown at two dates, one in late November, 1954 and the other in late September, 1958.

These dates are chosen for a number of reasons:

In November 1954, stock prices were considered high in relation to current earnings. The low in industrial production had been touched about eight months earlier, and was 4% above the low, but people were still not sure just how far recovery would carry us. Officials in Washington were talking about curbing speculation, a factor that led to a Congressional inquiry into the stock markets three months later after the market had risen about 5% more.

Recently, the situation has been very much the same. In the U. S. the down payment on margin loans for stock purchases has been increased to 70%, from 50% to restrain speculation. Industrial production in Canada hit its low about nine months ago, but economists are still not unanimous on how complete the recovery is going to be. It is about 3%-4% above its low but it has changed little in the past five months and was still below year-earlier levels at last report.

Taking the stocks as a group, if they were regarded as high in 1954, they are even higher now.

Back then they were selling at 13 times 1954 earnings. Now they are selling at more than 15 times latest 12 months' earnings.

The average yield then was 4.10% on the industrials and 6.20% on the mines.

Average yield now is 3.78% on the industrials and 5.38% on the mines.

The earnings on which the current price/earnings ratio is based are mainly first half 1958 plus last half 1957. If second half 1958 proves less profitable than second half 1957, the price/earnings ratio now will look still less favorable. (Even since the table was prepared, stock prices have risen a further 1%-2%).

As it turned out, the prices that were thought high in November, 1954 were exceeded as recovery turned into boom; and earnings and dividends climbed.

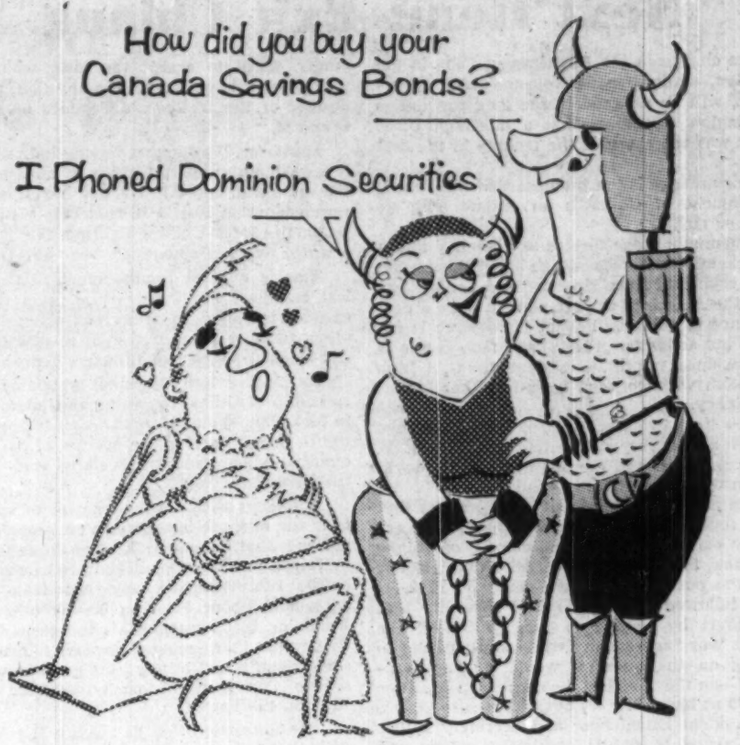
The Dow-Jones industrials, from 380 late in November, rose by 38% before the sharp drop in 1957 when the boom petered out.

This week, this same index was 2% above its previous bull market highs set in 1956 and 1957.

Recovery signs are becoming more and more plentiful.

But if this latest burst upwards is going to be sustained, there will have to be a bigger improvement in earnings than occurred in the 1954-57 business boom.

Earnings in 1958, judging from this 28-stock group of industrials, are only 13% better than they were in the slow business year of 1954. But the 28 stocks themselves are selling at prices 31% above their level back then.



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Dividend Changes

LOBLAW GROCETERIAS — Second preferred and common, 54c payable Dec. 1 to holders of record Nov. 5; ex-dividend Nov. 3. Total paid or payable to date in 1958, $2.08; total paid in 1957, $2.06. Recent price: Common $111; second preferred $53.

MOLSON'S BREWERY — New class A and class B, 22½c payable Dec. 19 to holders of record Oct. 15; ex-dividend Oct. 10. First paid following 2-for-1 stock split.

PEOPLES CREDIT JEWELLERS — Common, 15c payable Nov. 15 to holders of record Oct. 31; ex-dividend Oct. 29. Total paid or payable to date in 1958, 60c; total paid in 1957, 30c plus 5c. Recent price: $18.

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THE INVESTMENT FUNDS

McLean Budden Portfolio Switches to More Cash

MONTREAL (Staff) — Net asset value per unit of **McLean Budden Ltd. Investment Management Fund** at Sept. 30, 1958, was $15.04, up 7.7% from $13.97 June 30.

Total assets of the fund reached a new high of about $1,250,000 and the value per unit is only slightly under the peak levels of 1956-57, fund's managers say.

"With stock prices high and the bond market subject to abnormal pressures we have recently built up the liquid resources in cash and treasury bills to some 15% of the total account.

"We anticipate that there will be opportunities to invest these liquid resources at attractive prices in the next few months.

"While this policy involves some temporary reduction in current income, we believe that it is well justified by the prospect of substantial future gains, company says.

Cash held by the fund Sept. 30, at $89,569, compares with $56,900 three months earlier.

Here are the portfolio changes made during the quarter:

	Held at Sept. 30 $	Chge. since June 30 $
Bonds:		
Can. Treasury Bills due Nov. 14/58	100,000	+100,000
Canada 3% due Oct. 1/63	nil	—100,000
Canada 3% due Sept. 1/66	nil	—50,000
Can. 4½% due Sept. 1/83	50,000	+50,000
Prov. of Quebec 3% Mar. 15/65	nil	—15,000
Provs. of Ontario 3% Sept. 1/65	25,000	+10,000
Pac. Pete 5½% Apr. 1/73 (cum. wts.)	nil	—15,000
Preferred:	shares	
Texas Eastern Transmission 5½% conv.	nil	—50
Common:		
Trans Mountain Oil P. L.	nil	—1,500

Profits Here?

A regular listing of latest studies by investment firms.

CANADIAN HUSKY OIL — Merrill Lynch, Pierce, Fenner & Smith, 11 Adelaide St. W., Toronto.

DOME PETROLEUM LTD. — Annett & Co., 335 Bay St., Toronto.

INDUSTRIAL ACCEPTANCE CORP. — Merrill Lynch, Pierce, Fenner & Smith.

UNION GAS COMPANY — Bankers Bond Corp., 44 King St. W., Toronto.

CONS. MIC MAC OILS — Merrill Lynch, Pierce, Fenner & Smith.

WOODWARD STORES (1947) — Hugh Mackay & Co., 235 St. James W., Montreal.

CANADIAN DEVONIAN PETROLEUMS — Merrill Lynch, Pierce, Fenner & Smith.

URANIUM MINES — L. G. Beaubien Co., Montreal.

IRON & STEEL INDUSTRY — James Richardson & Sons, 173 Portage Ave. E., Winnipeg.

CONSOLIDATED PAPER CORP. — Merrill Lynch, Pierce, Fenner & Smith.

SALADA-SHIRRIFF-HORSEY — Doherty, Roadhouse & Co., 335 Bay St., Toronto.

Dominion Textile Opening $6 Million Spinning Mill

MONTREAL (Staff) — Canada's textile giant — **Dominion Textile Co.** — next week will officially open a new $6 million spinning mill at Valleyfield, Que., designed to help the company meet import competition.

To be known as the Salaberry Mill, the new plant will produce salesyarns — yarn for sale to other weavers or knitters — as well as yarn for the company's own requirements.

The mill is one-story, windowless, air-conditioned, containing 250,000 sq. ft. of floor space. Over half of the $6 million cost figure is for new machinery.

"We cannot simply stand by and wait for things to improve by themselves. Our only hope is to fight hard for the business of the Canadian consumer," President G. B. Gordon explains.

"To do this we must produce the best possible textile products at the most reasonable prices. Keeping manufacturing facilities in efficient operating condition . . . is an essential for survival."

When operating at capacity, the mill will employ about 170. At this rate, capital cost including equipment is $35,000 per worker.

To some extent, the new mill will replace older facilities at Valleyfield.

New Vancouver Mortgage Co. Raising Money Through Stock

Two Vancouver businessmen this week launched a new phase of a bustling new mortgage company that started business only four years ago.

Shares in their expanding firm, Coronation Mortgage Co., were offered in what is believed to be the first public offering of stock in a Canadian mortgage company in half a century.

The two men, Dennis L. Clayton and William J. Ferguson, Jr., together controlled about 40% of the company's common stock prior to the offering. Now their interest will drop to about a third.

Clayton, the president, is a 28-year-old chartered accountant who emigrated from England 18 months ago. In England he operated his own company discounting commercial paper, he told **FP**.

Ferguson has been associated with a family truck and equipment business which was recently sold to Canadian Kenworth Ltd., Burnaby, B.C.

Clayton holds 2,000, Ferguson 2,250 shares of the 49,240 common to be outstanding.

An additional 12,025 common shares are owned by a corporation controlled by Clayton and Ferguson.

Vancouver investment dealers **Thomas B. Read Co.** is offering the $408,000 issue in two parts:

—10,000 $2 cumulative convertible redeemable sinking fund preferred shares at par of $30.

—8,000 npv common shares at $13.50.

Conventionally, mortgage lenders obtain their funds from the public by means other than stock issues — from life insurance premiums, acceptance of savings deposits, or sale of savings or investment certificates.

Coronation's chief source of funds has been a bank; at July 31, bank loan stood at $458,000. Addition of new capital through stock issue will enable company to increase its bank loan.

But a debenture issue is expected to be undertaken within a year, Clayton told **FP**.

Founded in June, 1954, Coronation Mortgage was converted to a public company Sept. 22, 1958. First mortgages in its portfolio now average $7,137 each, and represent 52% of total receivables. Average second mortgage is $3,353.

Coronation earns a gross return of about 15% on its mortgages, the president told **FP**. First mortgages are primarily on new commercial construction and developments, and on apartments, with a small amount invested in revenue-producing business properties. Second mortgage loans are made on residential properties.

Credit loss during the past four years has been less than 0.1% of the $1,732,425 advanced on mortgages. At July 31, outstanding mortgages receivable amounted to $971,773. Total assets were $1,204,749, including $186,932 cash.

Earned surplus stood at $29,738. Of an authorized 45,000 common shares (since increased to 150,000), 41,240 were outstanding with a book value of $390,596.

Net profit after taxes was $50,136 for the year ended July 31, 1958, 60% higher than previous year's $31,343. Profit was $30,926 in 1955-56, and $14,875 in 1954-55.

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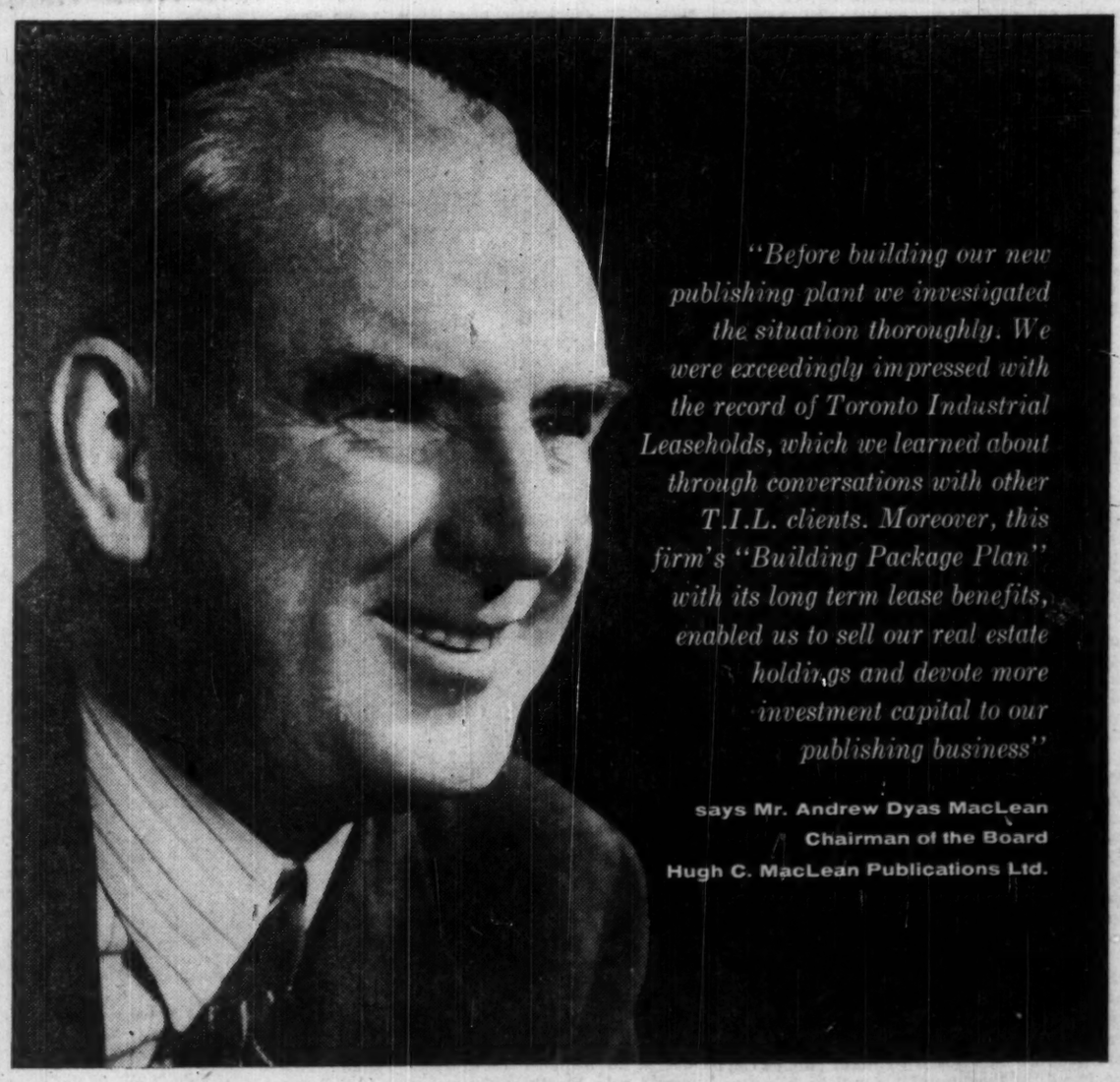
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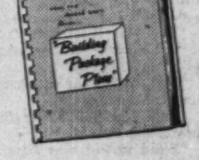

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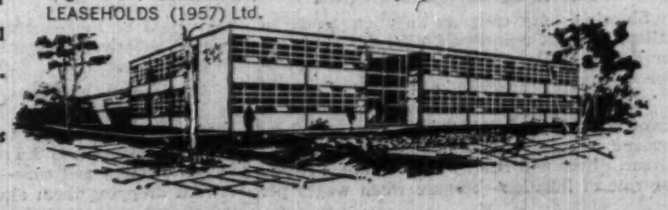


Next Item: Exit Chiang

The change in the American position in the Far East, while it made welcome news everywhere, will do no good in the long run unless Washington recognizes that a mistaken U. S. policy was the cause of the trouble in the first place.

This mistake is the pretense that the Peking Government of China is an outlaw with no status or rights.

Diplomatic usage forbids any country to put on sackcloth and ashes and go about the market place crying "I have sinned;" and nobody expects the American Government to stage a performance of this kind. What is required is not words but action, as graceful and face-saving as circumstances permit, to extricate the U. S. from a position with no good basis in either law or expediency.

Less than two weeks ago it looked possible, though almost beyond belief, that the U. S. would get itself and the rest of us into a world war in defence of Quemoy and Matsu.

The argument began with the premise that these rocky islets just off the China coast are rightly part of the sovereign domain of Chiang Kai-shek, the totally discredited Chinese leader who was ousted by his own people in 1949.

It followed from this initial absurdity that any effort by Peking to gain control of the islands was "aggression" while any yielding to Peking on the question would be "appeasement"—on the model of the concession to Hitler in 1938 at Munich.

President Eisenhower and Secretary Dulles have bowed to public opinion, domestic and foreign, by retreating from this preposterous doctrine. Just how far they have retreated, in terms of diplomatic wordplay, is a question for the verbal jugglers. The main point is that the American people, and their friends, are no longer asked to accept the idea, which they would never have accepted in any case, that the destiny of the free world depends on holding Q and M.

Moreover, Washington having indicated that it would not support Chiang in an assault on the mainland, and Khrushchev having speedily responded that Russia in that case would take no part in intra-Chinese fighting, the danger of a world war has apparently been averted.

This is a great improvement in the political weather; but surely it is plain that the quarrel is bound to break out again in some other form or place if the U. S. maintains its stiff-necked support of Chiang's claims.

By setting him up as a pretender to the rulership of China, by aiding and abetting him in fortifying Q and M as invasion springboards, the U. S. put itself in the posture of permanent enmity—of permanent undeclared war—toward the Peking regime.

It follows that a mere transfer of authority over the offshore islands won't be enough. The pretense that the government of China is lodged in Taipei, not Peking, will have to be abandoned before there can be any American-Chinese agreement about Formosa or any other place. Assuming that agreement is the desired objective, rather than repeated displays of brinkmanship which might at any time produce war, the sooner Chiang is honorably escorted to the Riviera, the better.

The suggestion that he has a will and policy of his own in this matter, and may not be controllable by the U. S., is one of the more absurd fantasias in this vast tragi-comedy. The so-called Chiang government is a creature of Washington and will do, must do, precisely what Washington bids.

Poor Judgment and Poor Thinking

All public officials in Canada will do well to ponder carefully the whole Sherman Adams affair.

1. Revelations of his gift-taking came out three months ago. Now Eisenhower is finding out—to his great discomfiture—that he should have fired Adams at once, or stuck to him indefinitely.

The three months of indecision—and golf—have not looked good to Americans. Furthermore the Adams finale came just at the opening of the Congressional campaign—the time when the whole affair will be most embarrassing.

2. Adams' final telecast didn't help him or the Republicans. He tried to pretend that he was pure.

If this were the case—and if his conduct were suitable for a public servant—why did he resign? On moral and intellectual grounds, Adams looked weaker after the telecast than he did after the Goldfine exposé.

3. One of the basic rules among executives with a sense of decency is that they personally do their own "dirty work;" that, when a decision or a task is their responsibility, they face up to it and do it no matter how distasteful.

Adams was Eisenhower's personal assistant. But when the time came to fire him, Eisenhower, according to the Republican mouthpiece LIFE magazine, wouldn't do the job himself. He got somebody else to handle it. Businessmen have a word for such methods. It isn't a nice one.

Summing up the whole affair, The New York Times said: "It is the judgment of many competent observers in Washington that no error of commission or omission by President Eisenhower since he has been in office has wrought more political havoc inside the Republican party than his handling of the Sherman Adams affair."

Sherbrooke Merits Support

The University of Sherbrooke has opened a $4-million building campaign which well deserves business and industrial support not only from the Eastern Townships but from the rest of Canada as well.

Sherbrooke is this country's newest university. It opened its doors in 1954, now enrols 1,068 students; has thus become a medium-sized university in four years. About 65% of its students come either from Sherbrooke or the Eastern Townships; most of the remainder from other parts of Quebec.

Right now, a profound change is taking place in the direction of interest of French-Canadian students as a group; they are turning in hundreds from the traditional classical disciplines to the newer technical and business studies which will help them share in the fruits of Canada's technological development.

Selection of courses by the student body at Sherbrooke is indicative of this change. About 25% of Sherbrooke students are enrolled in science or engineering, a proportion which is exceeded in Quebec at only one other university, McGill. About 10% of Sherbrooke students are enrolled in commerce; this proportion also is exceeded in Quebec at only one other university, in this case, Sir George Williams College, Montreal.

The charge is sometimes made in Quebec that too many key business jobs in that province are held by English-speaking Canadians. There is some truth in the charge; but usually the reason is that enough French-Canadians who are qualified in modern technical studies can't be found. In the future this will be less often true. Many of Sherbrooke's future graduates will hold these key jobs and this will strengthen the working and social partnership between French- and English-speaking Canadians.

The speed with which Sherbrooke has grown is a measure of the need for a university in the area and of the degree to which it deserves local support. It deserves national support as well because its growth will contribute to national unity.

From a Creep to a Gallop

Showing how creeping inflation tends to gallop, a recent report of the U. S. Committee for Economic Development drew this illustration relating to wages:

"Let us suppose output per man-hour is rising at 2% a year, but that unions and others demand and get wage increases averaging 4% a year. Prices will rise by 2% a year—a creeping rate of inflation—because when wages per hour rise faster than output per hour, costs rise and prices rise accordingly.

"But suppose unions and others insist on trying to get a real increase of 4%. They see 2% of their increased money wages eaten up by price increases, and consequently demand 6% higher money pay, to come out with a 4% gain.

"Thus, the price rise generated by the wage demands in excess of increased output has in turn spurred new, higher wage demands, because people, naturally, want real gains from their income increases. So, with output per man-hour increasing 2%, wage increases of 4%, 6%, 8% and so on, will yield real gains of only 2%.

"And so long as the nation's workers are trying to get real gains higher than the gain in output per man-hour, the tendency will be for them to go on demanding increases that are successively larger than the annual gain in output per man-hour. As prices go up, those who are not protected by escalator contracts will demand increased payments to offset the rise in prices. This applies not only to wage earners, but also to recipients of fixed payments from the government—veterans and pensioners, for example. Each of these demands that is met will bring about new price rises, while each price rise will inspire new wage increase demands.

"The very condition said to create the 'need' for creeping inflation — a public desire to get income increases faster than output per man-hour advances — sets up conditions in which creeping inflation cannot be held at a creep."

Hard Case — Hard Answer

The only sensible solution of the American farm problem is to drive small-scale, inefficient farmers out of business, by withdrawing price supports, and leave crop-growing to big farmers with enough land, capital and organizing ability to make it pay.

This would be a harsh, almost ruthless, method of dealing with the question. Yet Agriculture Secretary Benson seems to be edging up to it, gradually and tentatively.

The present official policy of subsidy plus control of acreage, which dates back to 1939, has been on balance a ghastly and expensive flop.

Two beneficial results are claimed for it: that it saved many American farmers from ruin and enabled the U. S. to give away (much to Canada's disadvantage) many millions of bushels of grain. Against these supposed benefits must be set the huge cost of the scheme, $6 billion this year, and the fact that no end to this expense or the surplus problem is in sight.

Acreage control has been wholly frustrated by the advance in technology, by good weather in some years and by the farmers' natural decision to leave the poorest parts of their fields untilled.

The individual American grower of subsidized crops, like wheat, is in a hazardous business. Millions of other people, with whom he can't consult or join forces, are separately engaged in the same operation. None of them can make a reliable estimate of what the weather or the market is going to do.

These were the reasons why government aid to farmers seemed wise and necessary. But experience has shown that the existing American plan is not permanently workable. It doesn't make sense for the U. S. to continue indefinitely spending $6 billion a year to keep an inefficiently run industry on its feet.

What is the alternative? There is none, except to abandon the present system. This would ruin the little farmer who depends on his cheque from Washington. It would not hurt the big operator who runs what is really a wheat factory, using all modern mechanical aids, getting the benefit of mass production and possessing resources and facilities that enable him to store or sell as his interest dictates. His government cheque, which may run to $100,000, $200,000 or even more, is just a bonus he doesn't need.

The old-style rural way of life would soon be "gone with the wind" if U. S. policy were changed in this drastic way; but no way of life is a permanent fixture. Compensation for the loss would be the emergence of crop-growing as an efficiently managed big business, needing no government aid.

Mr. Benson, of course, has not announced or even hinted at abolition of the subsidies; but his thinking is said to be running in that direction. Evidence is the recent cut in supports for rice, cotton and corn—perhaps a first step toward dropping them altogether.

Napier Moore's Scratch Pad

THE DRAMATICALLY SUDDEN INAUGURATION of trans-Atlantic jet airliner service last Friday ushers the traveling public into a new age of speed. The British Comet and the Boeing 707 have cut the Atlantic crossing substantially. Another big reduction will come with still newer planes about 15 months from now.

It won't be in my lifetime, but I don't rule out a possibility that at some future date one will be hurled across the Atlantic in less time than it now takes to get through Immigration and Customs at Dorval Airport.

Last week, I flew from London (where it was still raining) to Montreal on the Britannia daylight flight. We soared North via the tip of Greenland to dodge the swirling skirt of Hurrican Helen, which that afternoon hit Cape Breton and Newfoundland. Well out of the way of Helen, we nevertheless encountered strong headwinds. That slowed us down. But we touched down at Dorval 11 hours after takeoff. It was 6.10 p.m. Montreal time.

It took me and other Canadians among the 80 passengers one hour and 15 minutes to get through Immigration and Customs. True, part of the delay was caused by the fact that the aircraft steward had forgotten to give us landing cards en route, and cards had to be sent for and filled in. But that was nothing to the holdup in the Customs shed. We were allowed in a few at a time because only three examiners were on duty. One could only stand and wait. Comments of the passengers were not flattering.

It isn't the first time I have experienced such souring delay at Dorval. From the number of complaints I have heard it seems to be a frequent occurrence. Facilities are wholly inadequate; far below the standards of international airports in Europe, and woefully deficient in relation to the Jet Age.

• • •

IN THE OPINION of two of my three granddaughters (aged 9 and 5) a summer's stay in England meant that I had been completely out of touch with their New World. I was a being from another planet. This because when I arrived at Pointe Claire, P.Q., where they live, I confessed that I didn't know what a Hula-Hoop was; that I had never even heard of a Hula-Hoop. Staggered by this lamentable ignorance, they forthwith produced a Hula-Hoop and proceeded to fascinate me with gyrations which kept the thing whirling round their middles until I got dizzy.

I expressed my amazement and gratification over such skill. "Oh, that's nothing," said the nine-year-old, "We're just beginners. There's a girl who has kept hers going round 3,000 times."

Next day in Montreal I saw shop windows full of Hulas. That evening, in Windsor station, hurrying to catch commuter trains, there were scores of fathers and mothers carrying red, green and yellow hoops for anxiously awaiting children.

The only similar crazes I can recall were the Yo-yo, and, long before that, a piece of string attached to two sticks. On it one swirled a sort of bobbin, shot it into the sky and caught it again. I think it was called Diablo. But neither of these crazes swept North America with the jet-like speed of the Hula-Hoop.

• • •

IN A MONTREAL BUSINESS BLOCK, hanging on the door of one of the offices was a sign reading, "During the World Series, Lunch Hour will be from 10 to 11 a.m." As there was no mention of a closing hour coinciding with the start of the television broadcast of the game in Milwaukee, it was had to figure this out. It being 10.45, there was no one around to explain.

• • •

SO TO TORONTO, where I unexpectedly ran into my old friend Rex Battle, the noted concert pianist who was musical director of that famous radio program, "Singing Stars of Tomorrow." Some time ago, Rex was seized with an urge to do something different, just for his own satisfaction. To the pleased astonishment of the officials of Queen East Presbyterian Church, who were seeking an organist-choir master, Rex (who 50 years ago was a choir boy at St. Ann's, Soho, London) offered to take on the job himself. Money wasn't a factor; it was a challenge he wanted.

He has converted a choir of nine into one of 30. A lot of them couldn't read music, but he now has them singing major choral works and he's thrilled to the core. Besides which he delights in playing the organ.

Rex also derives enormous satisfaction from his hobby — astronomy. He spends many a night peering into the star-spangled heavens.

Stop Me If—

On a tour of the American Civil War battlefields, the guide gave instance after instance in which a handful of Grays routed regiments of Blues.

"Didn't the Yankees ever win?" probed a northern visitor.

Replied the guide: "Not so long as I've been directing this tour."

• • •

"Mother, should I marry a man who lies to me?"

"Don't be silly! Don't you ever want to get married?"

• • •

One morning the wife of an office worker told her husband it was about time he asked for a raise.

"Tell your boss you have twelve children to feed, clothe and pay medical bills for," she advised.

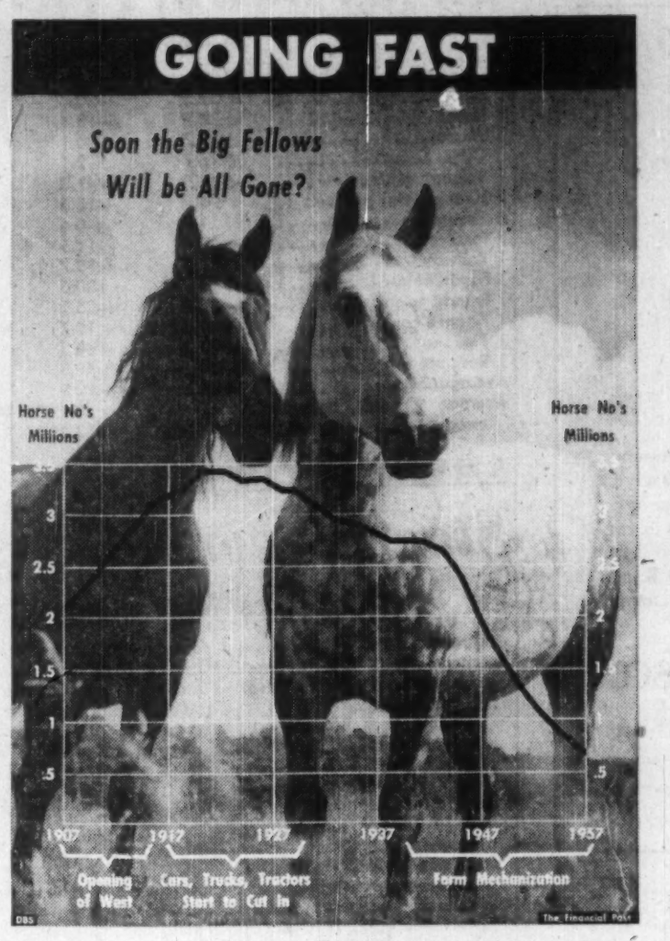
That night the husband came home looking forlorn.

"Did you get the raise?" asked the impatient wife.

"I did not—I was fired."

"But why?" questioned the wife.

"Because," he explained, "my boss said I have too many outside activities."



Post Scripts

Good Roads President

Chairman of the 25-man operating committee of Canadian Good Roads Association is Norman Henry Bell, president of White Motor Co. of Canada. He was elected for a second term at the annual convention in Montreal recently.

MR. BELL

In addition to his duties as chairman of the 25-man committee, Bell is a member of the CGRA board of directors. In this dual capacity he has fostered steady expansion of CGRA activities in technical assistance, research and public education.

No pilgrim on the path of least resistance, Bell travels extensively on business for White Motor. Wherever he goes he is an enthusiastic ambassador for the Association.

Born in Brantford, Ont., Nov. 21, 1911, he was educated at public schools there, at Brantford Collegiate and at the University of Toronto, where he studied engineering. He began his business career in 1932 as a sales representative for George Weston Ltd. and four years later joined Brantford Coach & Body Ltd.

Early in World War II he enlisted as a private in the Royal Canadian Ordnance Corps. In 1943 he re-mustered with the Royal Canadian Air Force, obtained his navigator's wing and commission as a pilot officer, served overseas until early 1946.

Rejoining Brantford Coach after the war, Bell went to Western Canada for the firm in 1947, spent a year in Winnipeg and two years in Calgary, then was promoted to general manager. He joined White Motor Sept. 1, 1957, became president March 1, 1958.

An ardent golfer, Bell belongs to St. George's Golf and Country Club in Toronto and the Mississauga Golf Club in Port Credit, where he is establishing a new home. He plays for "enjoyment and exercise" and discusses handicaps only in vague terms.

Bell is a member of the Scottish Rite Club of Hamilton and the Brantford Club. Married to the former Winnifred Miller of St. Thomas, Ont., he has one daughter, 13-year-old Kathryn Joanne.

• • •

C of C Choses Banker

Albert Clifford Ashforth, Toronto, was elected president of the Canadian Chamber of Commerce at that organization's 29th annual meeting in Montreal this week. He was formerly first national vice-president of the Canadian Chamber and is president of the Toronto-Dominion Bank.

The new C of C president was born in Toronto on March 6, 1893. Like many top Canadian bankers he began at the bottom of the ladder as a junior, fresh out of Harbord Collegiate, Toronto, with the old Bank of Hamilton in 1909. A year later he moved to the Dominion Bank in the same capacity. He had a flair for figures. As a ledgerkeeper at the main branch, he set a record of 21 first-shot balances.

Head office had its eye on young Ashforth and in 1917 he was attached to the inspection staff. Four years later he became secretary to the general manager, obtained an excellent background for the position he now occupies. In 1929, he was promoted to supervisor; in 1934, to manager of the main Toronto Branch; in 1946, to assistant general manager; and two years later to general manager. In 1951 he was elected a director and vice-president and when Toronto and Dominion joined forces in 1955 he became the first president.

Since the amalgamation Mr. Ashforth has spent a great deal of his time visiting bank branches, and in the past two years also in traveling in the interests of the Canadian Chamber of Commerce. In the past year, for example, he has been across Canada from east to west, has been called on to speak at many service clubs and local Chamber of Commerce meetings, has attended meetings of the International Chamber of Commerce, and culminated his travels with a trip to Russia this summer in company of a number of Canadian business leaders. He is a director of a number of financial and industrial organizations, is on the advisory committee of the Boy Scouts Association, and CARE of Canada.

In 1921 Mr. Ashforth married Nettie Ross of Mount Albert. She was an employee of the Head Office of the bank when he met her and one of her responsibilities was to sign bank notes. Among Mr. Ashforth's most prized possessions is a Dominion Bank $10 note bearing the signature "N. Ross."

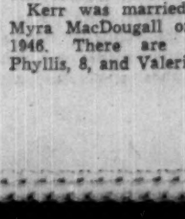
Taking an interest in most sports, Mr. Ashforth is particularly fond of golf and figure skating. He is a resident of North Toronto, also has a summer cottage near Torrance in the Muskoka Lakes district, 100 miles north of his home. His family closely follows his own business inclinations. One of his sons works for the Royal Bank in Montevideo, Uruguay, and another is comptroller of a trust company in Toronto.

• • •

Faces Tough Problem

A soft-spoken Maritimer with a yen for "administrative law" will play an integral part in working out future solutions for the "insoluble" problems of the Canadian railways. He is Roderick Kerr, QC, who becomes assistant chief commissioner of the Board of Transport Commissioners in November when the present chief commissioner, Hugh Wardrope, QC, retires.

Rod Kerr was born at Louisburg, Cape Breton County, Nova Scotia, in 1902, a descendant of the Scots who settled there in the 18th century. (He has lost the Gaelic — he can understand it, but hasn't the tongue for it.) He took his BA from Dalhousie at 21 and his law degree two years later, and settled down to a general law practice at Glace Bay, N.S.



MR. KERR

Then followed 14 years of general law practice in which Kerr became increasingly involved in the legal problems of public administration. He was a county crown prosecutor and special prosecutor for the Nova Scotia Attorney General's Department; a member of Nova Scotia's first minimum wage board; and represented labor organizations before conciliation boards.

Kerr joined the Cape Breton Highlanders as an infantry officer in 1940, went overseas shortly afterward. When he returned to Glace Bay in 1945, he concluded, fortunately for the transport commissioners, that five years' absence had seriously damaged his law practice; and he entered a national civil service competition for legal advisor to government departments. He was placed first in this and appointed to the Unemployment Insurance Commission in 1946. Three years later he became senior advisory counsel, Justice Department, going to the transport commissioners in 1949 as assistant counsel. He became general counsel in 1952.

Kerr was married to the former Myra MacDougall of Glace Bay in 1946. There are two daughters, Phyllis, 8, and Valerie, 6.

What Others Are Saying

Editorial of the Week

Get Out of That Chair

Vancouver Sun

Once again the doctors and psychiatrists are attacking "flabby youth." Our school children are being molly-coddled, are degenerating into softies.

But supposing, if instead of blaming the youngsters, they were to blame flabby fathers? That might be putting the whip to the right horse. For it's almost a cast-iron certainty that where you find children who hate physical exercise you'll find a father who's also got a streak of laziness and is too flabby to exert his authority.

Once a boy had to keep fit with woodbucking and splitting. It was pretty near a whole time job. But where is the wood stove or furnace today? Where the ashes to be carried?

Spectator sports have largely taken the place of participation sports. TV is a sitting sport if anything. There's more jazz music listened to half in and half out of an armchair than is danced to. And so it goes.

And Dad — often he's too lazy even to walk the 18 holes of golf he's gone out to "for exercise"; he's driven round the course! And he never carries his own clubs.

Flabby youth isn't youth's fault. It's the fault of the home, where the responsibility should lie. And that goes for a good many things.

Other People's Views

AMONG THE MOST FORTUNATE of people are those who can take a fall holiday, thinks the **Owen Sound Sun-Times**. "The countryside will be taking on a greater beauty as the first frosts turn leaves yellow and crimson. It is one of the great misfortunes of this climate that each year a period of bad weather, just at the end of August, puts a very definite end to the summer resort season for most people."

THE SHAREHOLDER is not the only one to suffer when a company runs into losses, points out the **Abbotsford, Sumas & Matsqui (B. C.) News.** "Governments lose revenue, revenue on which incidentally they largely depend to finance our costly schemes of social welfare. Employees lose the chance of a pay increase; and, of course, if the company continues to lose money and goes bankrupt, they end up losing their jobs. All of which seems to show pretty plainly that the making of a fair profit, far from being anti-social, is as essential to the well-being of the community as it is to the continued existence of the company itself."

FIRST MOVE NECESSARY to cure the recession is to get prices down, asserts the **Regina Leader-Post.** "This is one essential step to restore health to our ailing economy, and to set our course toward a real and lasting solution of the stubborn unemployment problem. The second essential step is for the government to beat a hasty retreat from its dangerous excursion into inflationary financing."

DON'T STARE when you are driving, warns the **St. Thomas Times-Journal.** "There are two traps to watch for, to avoid a dangerous driving stare: either looking at something very interesting, or at something uninteresting. A fixed point of special interest—scenery, a pretty girl, an accident scene—can drag a driver's vision right away from the traffic picture where it belongs."

YOU GET MORE out of life in the smaller cities, declares the **Fort William Times-Journal** which lists these advantages: "We live within minutes driving distance to our work—not hours; we can drive—or walk—home for lunch at noon; we are not all nerve-frayed and tired out when we reach our work or return home after battling miles of snarled-up traffic; we can own summer homes on scores of beautiful lakes within comfortable driving distance of home and even commute back and forth to work from them during the summer months; we can still take the family for a Sunday drive without being caught in hopelessly-snagged traffic."

ONE OF THE MOST SENSIBLE WAYS to spend $235 million, declares the **Peterborough Examiner** "is on the proposed coaxial cable to link the whole of the British Commonwealth. Canada's share of $60 million will not be missed over a period of 20 years and the benefits promise to be manifold."

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October 11, 1958

Make Cash Work Hard

If you want to borrow or lend take a close look at growing commercial paper market . . .

By DAVID B. GILL

Some Canadian companies are likely to earn extra profits running as high as $200,000 this year through the investment of temporary cash balances in the money market.

A substantial portion of these profits will come from "commercial paper," the short term promissory notes of Canadian companies which need cash for short periods, available this year in considerable quantity for the first time.

At the moment, the main interest among borrowers and lenders is confined largely to Canada's biggest companies.

A fascinating possibility is the establishment of a "second line" of commercial paper market. That is, a market for the paper of smaller companies of good credit standing but which are not well enough known to be acceptable to the major lenders.

These companies would presumably require sums from $25,000 to $250,000 and thus, even leaving aside credit ratings, would not be suitable media for the major lenders in the prime commercial paper market who do not normally deal in less than $500,000.

David B. Gill is associated with the Toronto office of Nesbitt, Thomson & Co., investment dealers. J. D. McElhinney of the same firm assisted him on this article.

A market for money, treated much as any other commodity, has always made sense, as witness the active markets of London and New York.

The problem in Canada was size. Until relatively recently the Bank of Canada and the chartered banks were the only organizations really needing facilities to borrow or loan large sums for short periods.

It was not until 1954 that our monetary experts considered that corporate cash balances were sufficient to warrant a broad money market in Canada.

While a few corporations were accustomed to investing temporary cash where they could, the very lack of short-term securities contributed to a tendency to ignore the matter and leave cash idle.

The initial step by the Bank of Canada was to bring together a special group of twelve investment dealers in 1954 to market, outside the banking system for the first time, Government of Canada treasury bills maturing in 90 days and 270 days.

Canadian industry was quick to take full advantage of treasury bills once they were available and their use explained. The next step in the development of the money market came rapidly.

Short-term collateral trust notes of the major finance companies — known as "finance paper" — had been available for many years but previously had been held mainly only by the chartered banks as collateral for loans. Corporation treasurers, through their treasury bill operations now more aware of the fairly consistent nature of their company's regular cycle of cash buildups and the "float" of uncashed cheques, began to see opportunities to use finance paper for the investment of funds required on specific future dates.

In these cases, slightly less marketability was more than offset by a substantially higher return than that available from treasury bills.

As the second step, finance paper provided a degree of diversification to the money market — a choice between low return with maximum marketability in case funds were needed unexpectedly, and a higher return with less marketability.

However, finance paper had (and still has) a major weakness. Depending largely on the automobile industry, all finance companies tended to follow the same cylical demand or lack of demand for funds. Consequently, it is not always possible to place funds with them.

Unlike finance paper, prior to 1954 there was very little activity in the commercial paper market in Canada. However, two sets of circumstances have combined to make for dynamic growth in the last year.

(1) The newly-awakened demand for short-term investments of the finance paper type reached a peak when the finance companies were experiencing a drop in demand for automobile financing. In the absence of finance paper, rather than go back to treasury bills at record low yields, corporation executives were delighted to approve loans to other corporations with prime credit ratings against their promissory notes at roughly the same yields as obtained from finance companies. As commercial paper was available from companies in a variety of industries with different seasonal peak demands, a supply could be expected from one or more at all times.

(2) At the same time, many major corporations temporarily short of cash were being encouraged by their bankers to replace overdrafts with term loans. It was obvious that by selling promissory notes, these companies could fill the gap left by the finance companies and obtain their temporary cash requirements at 2% to 3% instead of 5¼% or more. **This could amount to $2,500 interest savings a month on each million borrowed.**

Before commercial paper became acceptable, our money market was one in name only. For most companies money could be lent but not borrowed. It was inevitable that this situation would be rectified eventually to bring the Canadian money market to maturity.

In addition to its importance in providing a source of funds, commercial paper also had the effect of "rounding out" the money market by providing it with sufficient breadth to be both a dependable source and demand at all times.

Consequently, as the commercial paper market tends to become more dependable, more companies can be expected to arrange their capital structure accordingly. That is, they will maintain an average working capital position permitting them to lend for the periods when they have peak cash surpluses as accounts receivable are being settled, etc.; and then to borrow to meet the peak cash demands.

In so doing, they will be able to reduce the amount of high-cost, long-term capital required and pay the interest on their short-term borrowings from their short-term lending revenues.

Unfortunately, a mature money market does not necessarily mean that all companies can borrow or lend in it.

While anyone with the money can lend, the various media usually have limits as to minimum amounts (from $25,000 in treasury bills to $100,000 in commercial paper).

More important, the legal technicalities of commercial paper limit the number of corporations which can borrow to the largest corporations with the best credit ratings. A commercial note is simply a "promise to pay" with no specific pledge of security. Consequently, a company which is not in the best financial standing would have difficulty obtaining funds without collateral.

Short-term investors now have the choice of:

1. **Treasury bills** yielding from 1% for one week to nearly 2¼% for 90 days.
2. **Short-term Government of Canada bonds** yielding from 2¾% for seven months to 3% for two years.
3. **One- or two-year notes** of various provincial governments yielding from 3¾% to 4¼%.
4. **Finance paper** yielding from 2% for three weeks to 3¾% for over one year (depending on quality). None of the prime credits is currently accepting new money.
5. **Commercial paper** yielding from 1½% for 10 days to 3% for six months (depending on quality).

The commercial paper market is undoubtedly the most important aspect of the money market. It offers the most value—both lending and borrowing — to corporations, not only because the return offered compares favorably with finance paper rates, but also because it provides greater dependability of supply and demand.

Some 30 Canadian corporations are now participating, most of whom are both lenders and borrowers at different times. It is estimated that $200 million-$300 million may be involved at any one time.

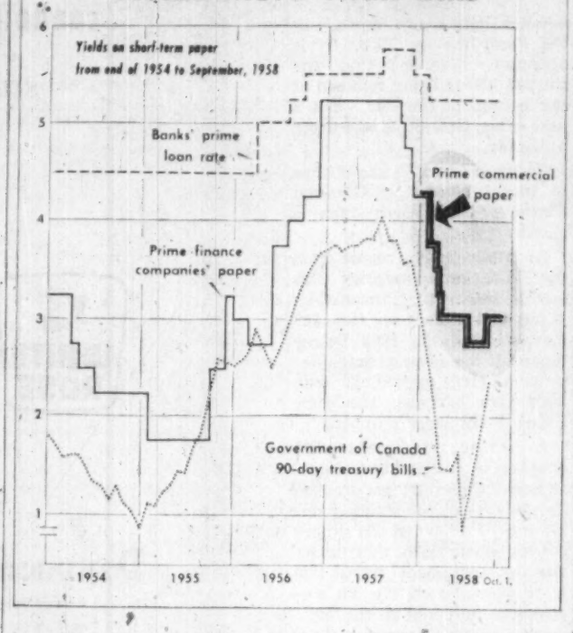
Undoubtedly more lenders will come into the market as acceptance of commercial paper increases. The most interesting point, however, is the possible growth in the number of borrowers. This depends largely on the ability of the borrower to establish a prime credit rating. However, there are corporations which, for one reason or another, prefer to limit their temporary borrowings to bank overdrafts, although their credit rating would be acceptable to lenders at money market rates.

How much participation in this type of borrowing and lending is possible for smaller companies remains to be seen. Firms wanting $25,000 to $250,000 probably would have to obtain money from other smaller companies with limited funds available which might be willing to accept the additional risk of a lesser known situation in exchange for a proportionately higher return, such as 3½% to 4½%, depending upon terms, compared to 1½%-3% for prime credits.

To the extent that these rates would still be below the bank borrowing rates, they would presumably be quite acceptable to the borrower.

This aspect may well be looked upon as the "last frontier" in the Canadian money market and the final challenge to the investment dealers engaged in the money market.

Cheaper Than Bank Loan Yields More Than Bills



Big Spurt in Commercial Paper

	Prime Commercial Paper	Three Prime Finance Companies ($ millions)	Non-Bank Holdings of Govt. of Canada Treasury Bills
September, 1958	200	240	280
June, 1958	150	275	275
End of 1957	50	260	355
End of 1956	40	230	325
End of 1955	40	180	580
End of 1954	40	140	260

Note: Figures are approximate. Total finance company paper is currently about $350 million.

Seeking Money? Here's One Way

The mechanics of commercial paper and financial paper transactions are usually straightforward.

The following example covers all the eventualities which might occur between two companies which have had no previous direct contact. Commercial paper is used as, being the newest medium, it provides the greatest variety of possibilities.

ABC Co. Ltd. advises its investment dealer that it has a temporary cash surplus of $1 million available for three weeks starting tomorrow, this money being required then to meet end of month accounts payable.

The investment dealer reports that the situation is as follows. A three-week Treasury Bill would yield 1.70%. None of the finance companies are willing to accept money for less than six months, but would pay 3% for over 180 days. However, XYZ Co. Ltd., a prime industrial credit, is known to be looking for $1 million for three weeks and will offer a promissory note at 1¾%. The investment dealer recommends negotiating for this promissory note.

ABC Co., knowing XYZ's reputation as an excellent credit, agrees, subject to XYZ Co. being able to provide it with "proof of legality," but suggests to the investment dealer that 2% discounted should be the rate. The investmen. dealer contacts XYZ.

XYZ advises the investment dealer that adequate proof of legality can be provided. It says that 2% discounted is too much. The dealer suggests a compromise at 1⅞% discounted and gets XYZ's approval to offer those terms to ABC. ABC accepts.

As ABC is a Winnipeg company and XYZ is in Montreal, delivery the next day is arranged by the investment dealer, with branches in both cities. This involves making sure that XYZ's promissory note is not delivered to ABC until ABC's cheque has been collected by the investment dealer's branch in Winnipeg.

Conversely, ABC Co. agrees to deliver the cheque to the investment dealer in Winnipeg on the understanding that it won't be delivered to XYZ until the promissory note is received by the investment dealer in his branch in Montreal.

Naturally, the above delivery is much easier when the two companies are in the same city. The investment dealer then just collects the note from the borrower, delivers it direct to the lender who gives in exchange his cheque in favor of the borrower, which is immediately sent back to the borrower.

Redemption of the note is handled in the same way.

The investment dealer, acting as a negotiating and delivering agent in this transaction, earns a fee of ⅛ of 1% per annum calculated to the period of the note, always paid in total by the borrower. This works out at roughly $100 per $1 million per month.

Naturally, were the borrower a marginal credit, or new in the field, this fee could be higher until such time as the borrower's credit rating is established.

Promissory notes are either interest bearing or discount notes, some companies being restricted to one or the other.

The form of the note itself is remarkably unpretentious considering the amounts usually involved. They normally appear on plain paper headed "negotiable instrument" (for the benefit of the lender) and use the simple terminology of a straight "promise to pay" the appropriate sum of money on the stated maturity date, if a discount note, or the principal amount plus interest at the stipulated rate if interest bearing, duly stamped with the company's seal and signed by authorized officers.

Rates now are about 2¼% for 30 days, and increase by ⅛% per month to about 3% per 6 months.

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"Where are we going, Dad?"

Along with the desire to go places and see things, Canadians have an urge to get ahead in life . . . to have guaranteed financial security. That's why they own more life insurance, in relation to national income, than any other people.

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L-3518

Avro Speeds Steps to Alter The Arrow

Work on the Avro Arrow continues and this week Avro started to plan modifications in the plane so it can use U. S. rather than Canadian-made missiles and fire control systems.

Discussions with Hughes Aircraft, California, suggest a move to the Hughes MA 1 and Falcon equipment.

This weighs about a ton less than the Canadian gadgetry, thus changing the Arrow's centre of gravity. It also involves changes in the electrical and hydraulic system.

Avro's attempt to work out arrangement with the U. S. Hughes company for use of the Hughes' weapons system in the CF105 was expected to get consideration at the Ottawa meeting, if only as an example of Canada's inability to go on buying U.S. equipment without corresponding U.S. purchases here.

Avro's quick response to the challenge of adapting its plane to a different missile and weapons system also underlined the fact (which officials have constantly stressed here) that the government has canceled no contract with A. V. Roe and its associated companies.

The company is still working on the original development contract calling for 37 preproduction aircraft. But now it is switching them from the exclusively Canadian-built gadgets which had been designed for them, and trying to fit them to the Hughes weapons system and the Falcon missile.

If the switch can be successfully accomplished, the all-up cost of each Arrow fighter (assuming a total order of 100) could be reduced, according to Mr. Diefenbaker, from $12.5 million to $9 million.

Whether this new work on the plane will get Avro an order to go into production is still undecided.

Officials fully recognize the difficulties which this uncertainty creates for a number of companies. But that was the way the cabinet left it. Obviously there would be no chance of going ahead with the Arrow and Iroquois engine unless Avro could show substantial economies by using the U. S. equipment instead of Astra and Sparrow.

However successful they may be, there can be no guarantee as yet that the government will put the new aircraft into production. But there is no justification for the popular impression that the Arrow has been already ditched.

The Astra and Sparrow programs were terminated. Avro's contracts have not been changed. The government's announcement two weeks ago merely postponed a decision which had been promised this month: the decision whether to terminate the Arrow or to put it into production for operational purposes.

That decision is now promised before the end of March 1959; and the contract for development work will not be terminated before that date.

Will Ottawa Talks Get More Orders?

Three U. S. armed services discuss production possibilities in Canada . . .

A large segment of Canadian industry and of the Canadian scientific community will be deeply affected by the outcome of talks in Ottawa this week between Canadian defence officials and assistant secretaries from the three U. S. armed services. It was proposed by the U. S. government after President Eisenhower and Mr. Dulles had been fully told the Canadian case when they were here in the summer.

They were to meet Canadian officials under the chairmanship of D. A. Golden, Deputy Minister of Defence Production, who last week was in Washington preparing for the talks. Other Canadian officials involved were from National Defence, External Affairs and Finance.

The U. S. move in sending three important members of the administration was regarded here as a sign of U. S. desire to show approval of Canada's proposals for sharing production. **And the scope of the discussions was widened by U. S. inclusion of all three services. It was expected to extend far beyond the range of aircraft and electronics.**

Canadian emphasis will be on some of the most advanced equipment requiring expert scientists, experienced technicians and modern factory equipment.

Canada's case is that it is in the interest of the U. S. as well as Canada to preserve these production potentials against an emergency.

That is one reason why so much emphasis has been put on sharing development work on the defence against intercontinental missiles.

But the Canada-U. S. balance of payments is another problem involved; and defence equipment of any kind which Canada can sell to the U. S. is a good thing from Canada's point of view.

Until the Canada-U. S. discussions have gone a good deal farther, nothing will be revealed about the particular weapons or equipment being considered for Canadian production.

However, whatever may be arranged about the Bomarc missile, Canada will certainly try to secure enough U. S. orders to secure an adequate volume of production on the launching gear and all the other ground equipment which goes with Bomarc.

Actually, this ground equipment represents about half of the costs of Bomarc installations, and there is no possible doubt of the ability of a number of Canadian plants to manufacture it.

In the electronics field, the Canadian industry will probably be kept busy making a good many of the new kinds of equipment required for SAGE. Canada will expect to supply much of it, not only for the one Canadian sector, but also for all the Pinetree stations under U. S. control in Canada.

It would be logical also to look for items which might be produced here in quantity for the U. S. requirement as well as our own.

It was hoped that this week's conference would agree to establish working parties of U. S. and Canadian experts in these and other fields to get down to the practical details of production sharing.

How Auto Makers Upgrade Prices on the New Models

(CONTINUED FROM P. 1)

Bel Air (in that order from the bottom) are named Biscayne, Bel Air and Impala.

(In 1958, the Impala existed as a top-priced Chevrolet available only in the more expensive body styles. For 1959, it is available in all the styles of the Bel Air).

In the Pontiac series, the name Pathfinder (bottom of the range) is being dropped.

A similar procedure is planned by Chrysler for 1959:

In the Plymouth (low-priced) series the names Plaza, Savoy and Belvedere give way for 1959 to Savoy, Belvedere and Fury. The Plaza is dropped.

(In 1958, the Fury existed as a top-price Plymouth available only in limited styles. It was not made in Canada. For 1959, it is available in all the styles of the Belvedere. To take its place the name Sport Fury is introduced.)

Chrysler is going through a similar process in the Dodge series. Crusader, Regent and Mayfair give way for 1959 to Regent, Mayfair and a new name, Viscount.

At this stage it is not clear what changes are being made in the Ford line for 1959. It is apparent, however, that the Custom 300 is being retained at the bottom of the line. But a new name, Galaxie, is appearing at the top.

To what extent is the change in model names by GM and Chrysler little more than a shuffle?

An authoritative report from the U. S. auto industry this month carries the information: "Chevrolet dealers say the 1959 Biscayne and the 1958 Delray represent the same package despite a $140 upgrading, with both cars carrying the same Fisher Body serial numbers."

A further reference to GM appears in Automotive News, Detroit: "Chevrolet has dropped its lowest-priced series name (Delray) for '59 and has slipped the Biscayne into that niche. Several equipment items that were standard on the '58 Biscayne are optional on the '59.

"The '59 Biscayne is equipped and appointed comparably with the '58 Delray . . . This year's Bel Air is Chevrolet's middle series and is equipped comparably with the '58 Biscayne."

Quebec Eastern Townships May Get Natural Gas Line

MONTREAL (Staff) — Construction of a natural gas pipeline from Montreal through Quebec's eastern manufacturing and light industrial belt to Trois Rivieres is a strong possibility.

The line—which would cost $15 million-$30 million depending on territory served—would be built by a newly established company owned by Consumers' Gas Co. and St. Maurice Gas Co. Two other undisclosed companies are competing to build the same line.

St. Maurice has made applications for gas franchises in a number of centres including Granby, Drummondville, Sorel, St. Jean, St. Hyacinthe and Iberville. The company—originally engaged in gas exploration in the St. Lawrence lowlands of Quebec—also owns all the outstanding shares of **City Gas & Electric Corp.** which operates a gas plant in Trois Rivieres and markets propane gas in that city as well as in various other Quebec centres.

Rumor of the pending pipeline deal has sparked prices and trading in St. Maurice stock. Shares which traded in the 60c-70c range early in September rose to 90c last week. At midweek price had further increased to $1.20.

In Granby, the city council has set up a committee to study the franchise proposals made by St. Maurice and a competing firm, **Southern Counties Gas Co.**

At a meeting early this week, the council—while it did not make any decision as to who would get the franchise—instructed the legal department to draw up a suitable contract.

Terms offered by St. Maurice or Southern Counties were not disclosed. Granby officials indicated however that they understood St. Maurice together with Consumers' would form a subsidiary — **Cartier Natural Gas Inc.**—to undertake transmission and distribution of the natural gas.

Consumers, it is believed would supply a considerable proportion of the required financing as well as the technical "know-how" needed to put the plan in operation.

Consumers' would likely have the major ownership in the new company.

Indications according to present plans are that a main pipeline would be built from Montreal on the eastern side of the St. Lawrence, recrossing the river at Trois Rivieres. Branch lines — such as one to Granby for example—would be installed where needed. Once a pipeline is completed to Trois Rivieres, there are indications it might be extended to Quebec City at a future time.

Once the decision to go ahead is undertaken, a gas pipeline to Trois Rivieres could be built in a short space of time owing to the flat topography and rock-free nature of the soil. Such a line could, FP understands, be built by 1959.

NEW PLANT

From Our Own Correspondent

HALIFAX — **Harbor Construction Co.** of Dartmouth has been given a $96,958 contract for first phase of construction of a 25,000 sq. ft. plant for **Region Aluminum Products (Maritimes) Ltd.,** at Woodside — to be erected by **Industrial Estates Ltd.** The plant, expected to be ready for use next January, will employ more than 150.

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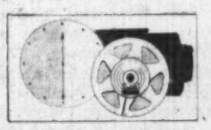

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Lending Institution	Amount borrowed for Year	Cost to borrower	Effective Annual Interest Rate (yield)	How to be repaid	Security
Bank of Nova Scotia's new Consumer "Scotia Plan Loan"	$1,200 (+$76.58, the cost of borrowing)	$76.58 (excluding life insurance paid by bank and plus a small bonus for repayment on schedule)	10.05% (after deducting for small but still-unspecified cash bonus)	Equal monthly installments of $100 + $6.38 monthly interest	Chattel mortgage on home furnishings or on automobile or signature alone if justified by general credit standing of borrower
Canadian Bank of Commerce special "Personal Loan Department"	$1,218* (+$77.76, the cost of borrowing)	$77.76 (+20c per $100 of loan for life insurance, minus interest earnings on repayments deposited in savings account)	10.46% (excluding both insurance cost and savings interest)	Equal monthly $100 + $8 interest installments to be deposited in savings account earning 2¾% annually until loan repaid	Primarily an on-your-signature loan decided upon by branch manager, or automobile used as collateral
Conventional personal loan from any bank	$1,200	$63.00	5.25% (prime commercial rate)	Repayable "on demand" by the bank. But if 12 month term agreed upon informally, borrower would repay $1,263 at the end of 12 months	Varies with credit rating of borrower. If at top credit risk, no collateral. If collateral required, could call for government bonds or industrial common stocks or life insurance policy with cash value as security
Small Loan Company personal loan	$1,200	$111.11	16.68%	Equal monthly installments of $109.26	Chattel mortgages on home furnishings or on automobile. On-your-signature loans usually well under $1,000
Sales Finance Company auto loan	$1,200	$110.00	16.9%	Equal monthly installments of $109.17	Automobile
Insurance company loan against life policy	$1,200	$72.00	6%	Can be repaid or allowed to run on at discretion of borrower; in this example $1,272 would be repaid at end of 12 months	Cash surrender value of borrower's life insurance must at least equal amount of loan plus interest owed — or the policy goes out of force.

*$1,218, not $1,200 because Commerce repayment deposits scaled to multiples of 12, 18, 24.

The Big Battle for Borrowers

Sharp competition ahead as banks go after consumer loans . . .

By DALTON ROBERTSON

Speculation is that Canada's conservative chartered banks are moving into a new era of sharper competition — competition with other lending institutions and among themselves.

The battleground: Consumer financing.

This is bred by the **Bank of Nova Scotia's** new consumer loan and installment credit service announced with much fanfare over the past several days. (**FP**, Sept. 20, 27).

The question: If all banks get into this business, what will happen to the business of sales finance companies and small loan companies?

The stock market jumped to conclusions: Bank stocks went up; sales finance company stocks down. Since then there have been second thoughts: Finance company stocks have been recovering lost ground and are back to week ago levels. (See p. 4.)

If a tug of war develops between the lenders, will the consumer stand to gain?

Like the long-established plan offered by the **Canadian Bank of Commerce**, the Nova Scotia plan gives consumers a chance to borrow for "any worthwhile purpose" and to repay capital and interest in equal monthly installments.

This contrasts with conventional personal loans which are repayable "on demand" and which, because of their top-grade credit risk requirement, are usually beyond attainment for those without a nest-egg of stocks and bonds to serve as collateral.

What has sparked comment in the financial community is not the bare bones of the Nova Scotia plan.

Most banks have stepped-up their lending to consumers through their conventional personal loans since the 1954 Bank Act amendment allowed them for the first time to take a chattel mortgage as security. Loans for automobile purchases have been the largest single item.

It's the aggressiveness with which Nova Scotia will, apparently, go after the consumer business and capitalize on consumer willingness to buy on time. For example, it's the first Canadian bank emphasizing its willingness to take home furnishings as collateral. Autos have been the major security for consumer loans up until now.

And with Nova Scotia's announced intention of going into car financing through auto dealers, other banks may eventually find themselves in the sales finance company field too.

This is still a matter of conjecture. What other banks decide to do will depend a lot on how successful Nova Scotia's move into the finance field proves to be.

In the last analysis, each bank has to offer the range of services which other banks provide —or stand to lose customers.

"We have been taking a long look at consumer loans repayable in installments, but have not come up with anything definite yet," a senior official in one of Nova Scotia's competitors told **FP**.

Stated a spokesman for another major bank:

"We may get into this type of lending but I would doubt if it would include financing of autos through dealers.

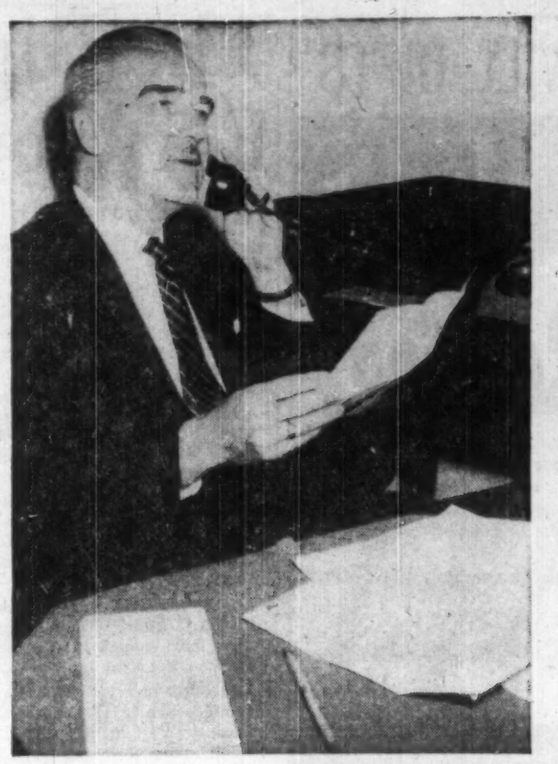
"We will have to weigh competition, if it develops, with another bank against the fact that some sales finance companies are our very good customers."

What also deters many banks from entering the consumer loan field in any rush is the fact that such loans and their regular repayments push up administrative costs.

Maximum which the banks may charge for any loan is 6% per year simple interest. But consumer installment loans can't be handled profitably at this rate.

What Nova Scotia and Commerce do is to discount the loan at 6% in advance and call for equal monthly repayments. So for the borrower this means an

(Continued on page 10)



Mr. V. R. Frazier, Toronto branch Secretary of The London and Lancashire Insurance Company, listens to a playback on his Edison Televoice. Edison Televoice can also be installed as an integral part of an existing inter-office dial phone system.

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COAL MOVES

From Our Own Correspondent

HALIFAX — Cape Breton coal banks, which had reached a peak of more than 1.4 million tons early in 1958, dwindled to 528,000 tons as coal ships carried cargoes up the St. Lawrence to Montreal and other ports. The coal banks shrunk by 50,000 tons in a recent two-week period.

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Oct. 27 to 29 : "MANAGERIAL CONTROLS," Winnipeg, Man.

Moderators : Dr. D. R. Ladd, University of Western Ontario, B. A. C. Hills, President, Urwick, Currie Ltd.

Nov. 13 to 15 : "MANAGERIAL CONTROLS," Halifax, N.S.

Moderators : Prof. E. D. Bennett, Harvard University, G. G. Fisch, Vice President, Payne-Ross Ltd.

Nov. 19 to 21 : "INSURANCE IN PERSPECTIVE," Toronto, Ont.

Moderators : G. F. Burne, Manager for Canada, London & Lancashire Insurance Co. C. I. Proverbs of Messrs. Reid Shaw and McNaught.

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The Big Battle For Borrowers

(CONTINUED FROM P. 9)

effective annual interest rate of over 10%.

Most banks prefer to call it a yield, rather than a rate of interest—since interest charges on the money are only a small part of the cost. The inspector-general of banks apparently approves of the practice—and Canadian Bank of Commerce has made over 1.2 million such loans since 1936.

If Canadian banks do become firmly established in the consumer loan field—as U. S. banks are already—these may be some of the results:

- **Credit more easily available** for those whose credit-rating wasn't firm enough in the past to make them bank borrowers.
- **For some individual borrowers, more expensive loans.** One banker pointed out to **FP** that a branch manager might feel his client—who had had loans at 5%-6% once or twice in the past—might really, in view of his credit rating, belong in the 10% consumer loan category.

But this would be up to the branch manager—and he would have to weigh the loan rate against the possibility of losing a customer.

- **For other borrowers, less expensive loans.** Bank loans to consumers will, undoubtedly cut to some extent into personal loans made by small loan companies and into auto financing by sales finance companies. (For a comparison of loans, charges and types of security, see table, p. 9).

This may depend, again, on the attitude taken by branch managers about credit-worthiness. Most haven't been in this type of business before.

But one official of a personal loan company predicts:

"Our business won't get much of a dent if the banks become active in this field, for they will probably be aiming at bigger loans than we are. These consumer loans are our sole objective in times of tight or easy money and we have the machinery to go after them all the time.

"Yet what may happen is that the banks will attract—with lower charges—the best risks and so reduce the over-all quality of our risks."

Nova Scotia will open its own doors for consumer loans on Oct. 15. But still an unknown: Will its financing of cars through auto dealers mean less expensive borrowing in the show rooms?

The bank has not worked out final details for conditional sales contracts. Conceivably, all it would charge would be just over 10%. This compares at first glance with the 16% - 17% effective rate now charged by sales finance companies.

But of the 16%-17% charged by the sales finance companies, the dealer who writes up the contract gets about one third or a little less of the total. This brings the finance company charge down to the level of the bank's 10%-11%. What will Nova Scotia have to let the dealer add on in order to get him to handle "Scotia Plan?"

In part, the answer may be tied to the bank's arrangements with the dealer regarding financing his floor plan—and this would be done by offering him a conventional line of credit.

- **Another question:** Why should the would-be borrower pay 16% or so in a dealer's show room when he could borrow for 10% at the bank—and then go after a good price deal for cash?

One answer for this comes from a spokesman for the finance industry:

"It depends on the bargaining position of the dealer, but it's not too often that cash will get you a better price deal.

"In many cases, the dealer is making his profit on the financing and would prefer an installment purchase.

"So, in terms of total charges, it may come out to the same thing for the buyer."

When discussing how the banks' possible moves could affect his industry, a top finance company official told **FP**:

"This possible move—and possibly big move—into the sales finance field reflects today's easy money atmosphere. The banks have the liquidity to use in the business.

"But what happens when money gets tight again—as it may well even within a year?

"The banks won't be so interested in consumer loans then. And Mr. Coyne may be happy to see that this area of borrowing—which was outside the scope of restrictive monetary policy during the last boom—more easily affected by tightening."

Whether or not the banks move aggressively into consumer financing, there appears to be room for them.

In the U. S., it's estimated that 50% of consumer installment buying is financed by the banks. Here the proportion is thought to be about 30%.

Canada Paper Aids in Fight On Pollution

MONTREAL (Staff) — A bark-burning machine, first of its kind in eastern Canada, has been installed at the Windsor Mills, Que., plant of **Canada Paper Co.**

It burns some 150,000 lb. of dry bark every 24 hours. Previously it was necessary to deposit bark in the St. Francis River, increasing pollution.

D. S. Abbott, president of **Howard Smith Paper Mills**, parent company of Canada Paper, said: "Studies have indicated a serious pollution problem on the St. Francis River, which we have done our best to combat.

"Our program has included reduction of mill effluent, neutralization of the effluent which cannot be avoided and this latest bark disposal project."

Bark is transported by conveyor belts through straining processes to greatly reduce moisture content, then deposited in a giant Dutch oven where temperature reaches 2,200 degrees F.

Installation generates 600,000 lb. of steam every 24 hours, allowing its use in plant process. To ensure continuous activity of the boiler, in the event of lack of bark, supplementary oil burning equipment has been installed.

Photo Engravers Plans Stock Split

Shareholders of Photo Engravers & Electrotypers Ltd., Toronto, will be asked at a special meeting Oct. 30 to approve a by-law enacted by the directors Sept. 30 which will split the shares of the company on a five-for-one basis.

The five-for-one split has been proposed "in order to facilitate a wider ownership of our company's shares and thereby make the stock more marketable," according to a statement issued to shareholders by President H. B. Keenleyside.

Company's stock is now held by investors in seven Canadian provinces.

Alcan Wins Round as Reds Cut U. K. Aluminum Sales

MONTREAL (Staff) — Russia's agreement to limit exports of unwrought aluminum to Britain has brought a lull in the cold war with **Aluminum Co. of Canada.** (**FP**, Feb. 15).

Alcan sees the Soviet decision as "a measure of assurance and protection" for Canada which traditionally supplies 80% or more of the U. K. market.

But with $100 million annually at stake, it is watching developments closely.

Russia will cut its share of the market to 15,000 metric tons during the next 12 months. In the last 12 months it supplied about 23,000 tons.

Still on the bargain counter, Russian aluminum sells at £170 against £180 for Canadian aluminum. It sold as low as £160; the Canadian price was cut from £197 last spring.

Russia's decision to curb its exports forestalled action by the British Board of Trade on application of Alcan, producing subsidiary of **Aluminium Ltd.**, for anti-dumping duties against Soviet aluminum.

Company had protested against unfair competition, found sympathy among U. K. users who recognize that Canada is a desirable, reliable supplier at stable prices.

Obviously Russia decided on voluntary restriction rather than risk curtailment by the U. K. government.

Two U. S. Food Giants Merge

Two U. S. food giants—both having Canadian subsidiaries — have merged to form **Corn Products Co.** with annual sales of $600 million.

The two firms are **Best Foods Inc.** and **Corn Products Refining Co.**, both of New York.

"It is too early to know what effect the merger will have on Canadian operations," a company spokesman told **FP**.

Best Foods (Canadian) Ltd. has plants in Hamilton and Ayr, Ont.

Canada Starch Co., Montreal, is a wholly owned subsidiary of Corn Products Refining.

Packaging Show Set for Nov. 4-6

The seventh Canadian National Packaging Exposition will be held Nov. 4-6 at the automotive building, Canadian National Exhibition, Toronto.

There will be around 150 exhibitors at the show, which has become one of the nation's largest trade fairs.

Sponsored by the Packaging Association of Canada, the show will be officially opened by Gov. Gen. Vincent Massey.

Approximately 400 entries are expected for the 1958 Packaging Design & Display Competition, which moves back with the exposition for the first time in three years.

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DICK COBB

How Dick Cobb helped Albert Johnson BEAT THE DROUGHT

When the topsoil began blowing off the land near Albert Johnson's farm this spring, he gratefully remembered an article in The Country Guide. In 1956 Associate Editor Richard Cobb had forecast a dry spell for western Canada. He had consulted experts, 25 of them. He had travelled over 2,000 miles just to speak to meteorologists, plant scientists, soil scientists, agricultural engineers. These men knew the symptoms of a bad drought. They also knew the cure, and Cobb presented it to Guide readers.

Albert Johnson had read Cobb's article in The Country Guide. When drought conditions began to prevail, many farms suffered from costly wind erosion. Albert Johnson and many like him kept their soil because they had followed the advice of The Country Guide.

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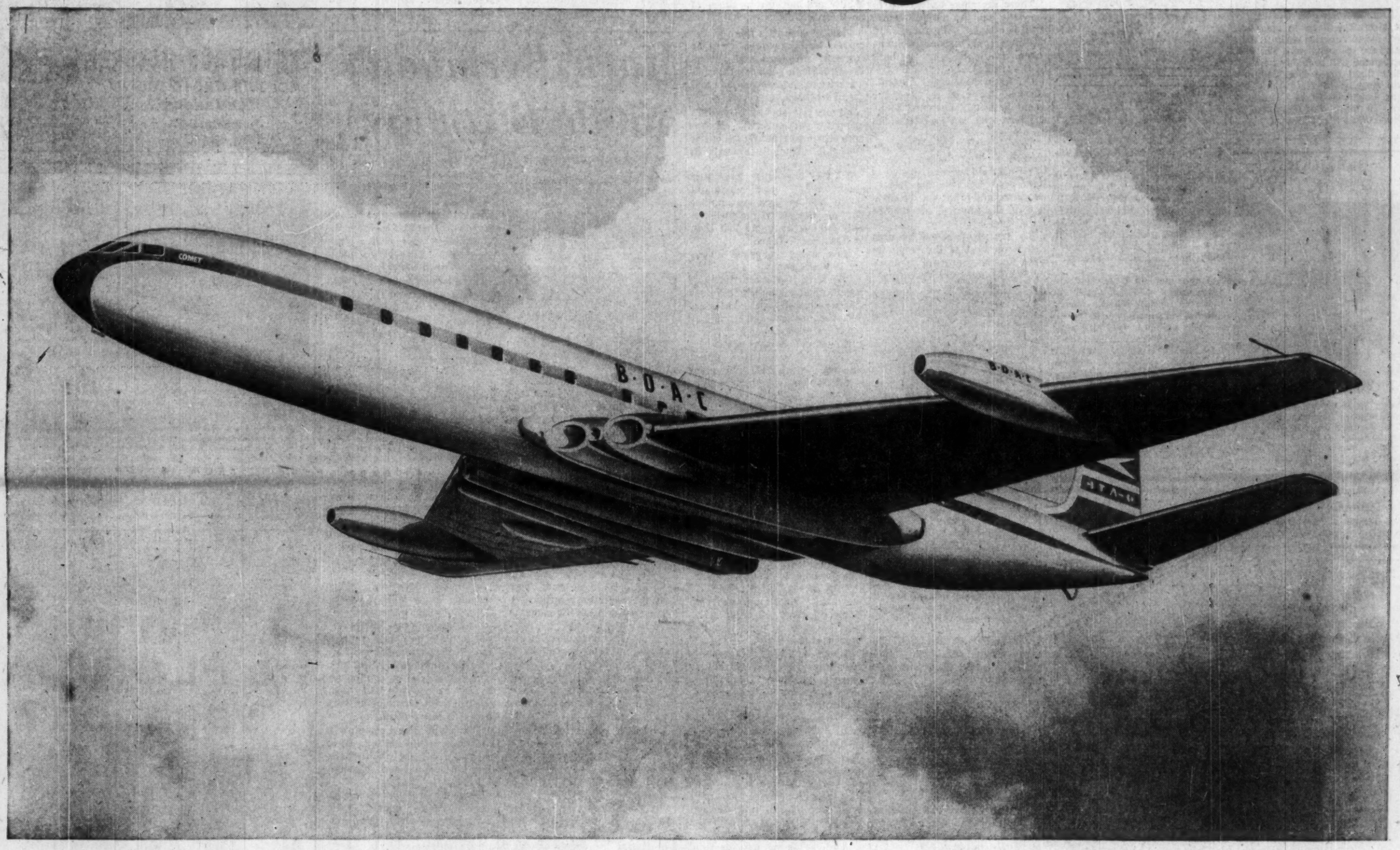

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American Airlines' Boeing 707 jet aircraft will be in operation over North America early in January, the company says. The 600-mph plane will probably trim existing flight times 40%. Samples: Los Angeles to New York 4½ hrs.; Los Angeles to Chicago, 3 hrs., 10 min.; San Francisco to New York, 5 hrs., 30 min.

Travel Briefs

Manitoba had 10.5% more visitors from January to July this year than during the same period in 1957, while tourist spending was approximately $1.7 million higher. In the past 10 years, licensed tourist accommodations have increased from 81 to 233. The biggest growth has been in motels which have increased from three in 1948 to 86 today.

* * *

Shopkeepers in Israel sold approximately $500,000-worth of goods to foreign tourists during the first six months of 1958 — an increase of 850% over the same period in 1957. Tenth Anniversary celebrations here resulted in tremendous increase in visitors and a 20% discount on purchases made with foreign currency encouraged shopping. Tourist purchases were particularly brisk in suits (for men and women), dresses, coats, furs and records.

* * *

Twelve-day winter cruises to Mexico, featuring extensive inland travel are offered by **Matson Lines.** Luxury liner Lurline will sail Dec. 22 and Jan. 22 from San Francisco with special tours to Acapulco, Taxco, Mexico City, Cuernavaca. Cost: From $290, plus special rates for inland travel.

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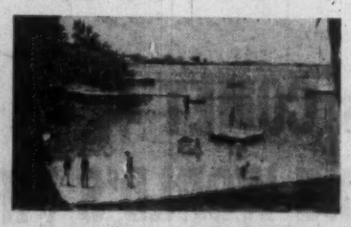
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How Would You Cater to Tastes Of 20 Countries?

CPA has the problem on its world routes. Here are some tips for your next international dinner party . . .

By ROBERT FRANCIS

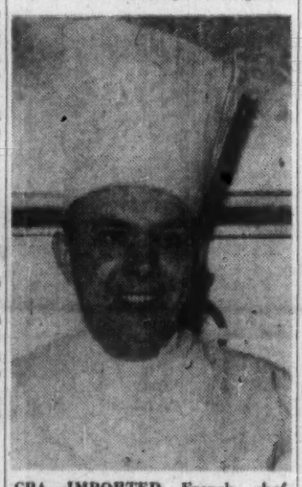
VANCOUVER — Catering people at **Canadian Pacific Airlines,** who have to feed about 20 nationalities, work on the principle that few experienced travelers will object to good French cuisine.

There are some exceptions to the rule on the Orient route, where Chinese, Japanese and passengers of various Mohammedan faiths make up the bulk of the traffic.

On Latin American, Australian and European services, the menu is simply designed to be the best that can be offered on an airline.

The only limiting factors, according to Reg Sargeant, head of CPA's food services, are what items can be obtained locally overseas, and what can be done within the physical confines of an airliner.

To try to produce genuine dishes of most of the countries CPA touches, Sargeant explained, would not only be impractical from a physical and organization standpoint, but someone would be bound to be offended.


CPA IMPORTED French chef, Jean Lindenlaube, to Vancouver, to supervise the complex menus for overseas flights.

If the catering department should offer complete Mexican-style meals on flights out of Mexico City, for example, a Chilean or Argentine passenger might feel that the native dishes of his country were not up to standard.

The problem does not arise under the system which Sargeant, a former catering man for the old **Imperial Airways** in the U. K., has worked out.

A European or resident of the Antipodes, as well as North Americans, finds French cuisine palatable.

The class of Latin Americans able to travel by air is well off, sophisticated and socially conscious, and probably used to food prepared in the French manner.

The Oriental traveling by air first class is probably an experienced traveler, businessman or diplomat, used to Occidental food.

He would rather tackle this type of menu than a foreigner's attempt at making real Chinese dishes.

On the other hand, CPA takes pains to offer Chinese, Japanese and Italian food to passengers from the Orient who would normally eat it.

While copied from restaurant meals in Tokyo, Hong Kong and elsewhere, the company does not pretend that an airline menu will be a precise copy of an Oriental dish.

Because of the space problem, a number of items in a Chinese menu which might ordinarily be eaten separately are combined into one dish.

The principle for CPA chefs is to make the best meal that is acceptable to passengers of these nationalities.

New dishes are constantly being tried out.

Once a dish is accepted for regular inclusion in the menu, CPA demands that local caterers turn it out precisely the same every time.

A handbook includes not only a list of ingredients, but detailed instructions for cooking and a photo of how the finished dish must appear.

Another problem facing Reg Sargeant and his staff is that of getting supplies at overseas points.

In some tropical countries, where heat and humidity turn food bad very quickly, standards of sanitation and public health are not up to those of northern countries.

Making sure it is fresh at the outset, then knowing it will be correctly prepared and put on the aircraft in good condition, is a matter of endless checking and detail work.

Menus put aboard in various countries vary with the seasons and also on account of what is available, strangely enough, in other countries.

Thus excellent Argentine steak, on the menu for one flight, might not be used on another out of Buenos Aires because only beef is available just then in Santiago or Lima.

How many separate menus are in use at once?

"We have 10 domestic menus," Reg Sargeant said, "10 first class overseas menus, 10 tourist class overseas menus and nine for economy class overseas."

How much do they differ?

"The basic dish is the same," he said. "Suppose it's a steak. The first class passenger simply gets more trimmings and side dishes, plus wine service."

But no expense is spared. If this results in CPA having a good reputation, then everybody in the company is delighted.

Sargeant, who has been with CPA 10 years, is in charge of catering, cabin attendants and of equipment and supplies related to his job.

The problem of cabin attendants for an international line is a complex one.

CPA has a staff of about 120 stewards and stewardesses. Some of them are hired overseas because of their language qualifications.

About one third of the male stewards Sargeant hires in Europe, many of them young men with some airline or catering experience.

- **With some knowledge of food** and wine and how to serve it.
- **With a feeling for the comfort** and convenience of travelers.
- **And with enough education,** including languages, to enable him to converse with the type of traveler who commonly goes by air.

To oversee the catering itself, Sargeant recently brought an expert French chef, Jean Lindenlaube, to Vancouver.

The move was part of his endless effort to keep passengers' stomachs happy.

POST TRAVEL BUREAU
Where to go - how to go - where to stay

FOOD BOSS of CPA checks a dish. R. H. M. Sargeant (right), superintendent of passenger service, approves some trout. Chef Garde Manger, Louis Stemler, prepared it.

Mark Bermuda's 350th Birthday

By BEATRICE RIDDELL

Next year, Bermuda will stage a mammoth birthday party.

From January to December this Atlantic holiday paradise will celebrate 350 years of settlement.

It promises to be a gay and festive year, with plays and pageants, international sporting events, military and naval reviews.

A member of the Royal Family is expected to make an official visit.

Canadians are being invited to participate in many events, and a record number of Canadian visitors are expected during the year.

Who were the first settlers?

In 1609 Sir George Somers, sailing from England for the infant colony of Virginia was shipwrecked at Bermuda.

His ruined ship, Sea Venture, limped to shore close to the present site of the town of St. George.

Somers and his crew lived here for about a year until another ship could be built. They were the first known settlers.

Still in the planning stage, an ambitious program is being lined up for next year's celebrations. Here are some highlights:

- **Drama:** A special Somers Day Pageant has been written by radio script writer Constance Baisbridge.

Depicting the original shipwreck, this historical production is to be performed close to the actual landing spot — at a large sound opposite old Fort St. Catherine.

"It promises to be a colorful spectacle, complete with 'shipwrecks and drownings,' ballet and choral presentations," said production manager Elsbeth Gibson on a recent visit to Toronto.

Performances will probably take place late July and early August.

The dramatic pièce de résistance will be the summer performances of The Tempest—Bermuda's "own play."

Bermudians claim that Shakespeare was inspired to write the Tempest by news of Sea Venture's wreck. Prospero's magic isle is really Bermuda, they say.

The all-professional cast will include a number of Canadians.

"We hope to keep this a Commonwealth 'family affair,' with actors coming mainly from Canada, and the U. K.," Mrs. Gibson told **FP.**

A special prologue has been written for these performances by Miss Bainbridge.

- **Sports:** In addition to the many regular golf events which yearly draw golfers from all over Canada and the U. S., a special tournament will be held next spring.

There will also be an international tennis tournament — probably during the summer.

Tennis — another "Bermuda special" — was introduced to the U. S. and the rest of North America from here.

Although there will be no Bermuda Race (famous yacht race held every other year between Bermuda and Newport) a special international competition is being arranged.

Cricket matches, fishing tournaments, special swimming and diving events are all being planned with participants coming from many countries.

There will almost certainly be a military tattoo and a naval review — most likely with Canadian contingents and ships taking part.

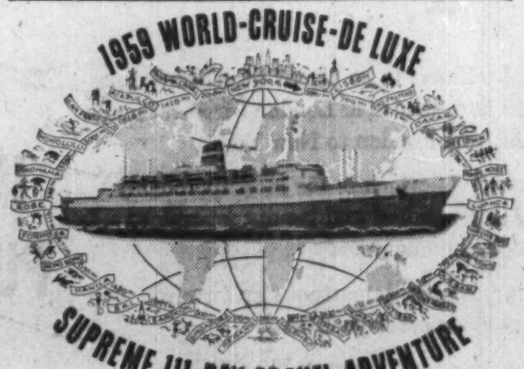
Bermuda promises to be a gay resort. Visitor counts, which have been steadily rising since the war, are expected to break all previous records.

Accommodation will be tight from Easter on.

Plans are well under way for a new $3.5-million, 200-room hotel in Southampton.

It is hoped that this luxury, ocean-front hotel at Sinky Bay on the South Shore will be finished sometime next year.

Special family plan is offered by New York hotel Barbizon-Plaza. One or two children under the age of 14 may share a room or suite with parents at no extra charge. Or, if two connecting rooms (each with private bath) is preferred, a discount of $3 is permitted on each room. This rate applies to adjoining rooms only whose rates range from $15 to $20 per day, European Plan.

1959 WORLD-CRUISE-DE LUXE

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BREAKFAST—served in your room or on the pool patio. LUNCH—a la carte, served at the pool. DINNER—Your choice at best hotels and restaurants. ALL OVER ISLAND.
Mr. Geoffrey Kitson, Manager, ROSEDON, Pitt's Bay Road, PEMBROKE, Bermuda. Cables: Rosedon, Bermuda

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Faraway COTTAGE COLONY
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28

Profits for You In These Ideas?

Looking for new opportunities to introduce new manufacturing lines?

This current list of new ideas for manufacturing in Canada, compiled by the Industrial Development Branch of the Federal Department of Trade and Commerce from various sources at home and abroad, covers subjects ranging from printing stamps and water cooling units to furniture and a device for controlling skids in an automobile.

Here is the list:

Further information on these items can be obtained from R. B. Hayden, Industrial Development Branch, Department of Trade and Commerce, Ottawa. The item number should be quoted.

Hand Printer

A new form of self-inking rubber stamp designed to give a simultaneous impression of four lines in four different colors, or other combinations as required.

To make an impression, the stamp is simply rolled across the surface of the paper. Inking pads are contained within the stamp and the type rolls out of sight after each impression is made.—**Item No. 984.**

Water Cooling Units

Evaporative water cooling tower units from 8 to 75 tons refrigerating capacity for use with refrigeration and air conditioning systems to save and recirculate 95% of the water required.

Package units include a steel case with pipe connections, distribution box and plates at the top, steel basin bottom, interior supports for wooden slats which provide most of the evaporating surface, an exhaust fan with stainless shaft driven by V-belt from an externally mounted standard motor.—**Item No. 985.**

Automobile Compass

A small automobile compass designed for mounting above or below the windshield. It is equipped with a new compensator which was developed to overcome the magnetic influence inherent in every automobile. Chromed universal mounting bracket permits mounting the compass in any convenient position.

The U. S. manufacturer would like to deal with a Canadian manufacturer capable of making very light stampings and assembling small parts and who has appropriate sales connections.—**Item No. 986.**

German Furniture

Arm chairs of wood with ladder backs, dining chairs with bow and strut backs, coffee tables and sideboards of heavier proportions than commonly seen in most Canadian stores.

A small or custom Canadian furniture maker might do well with this line for certain resorts, inns, and taverns, and for some private "carriage trade" home use as well.—**Item No. 987.**

Skid Controller

An anti-skid automatic brake regulator has been thoroughly tested by one of the car companies and used on police cars.

Device is mounted under the hood and becomes part of the hydraulic braking system. Normally inoperative for summer or dry pavement driving, it can be put in operation by a dashboard control.

It is said to regulate the hydraulic fluid pressure applied to the rear wheel brakes and transfers the braking power from the rear to the front wheels. Instead of locking when the car is braked on a slippery surface, rear wheels continue to turn slowly, maintaining traction. The car comes to a halt in a straight line. The device is under patent.—**Item No. 988.**

Inquiries concerning these cases should be sent to Canadian Patents & Development Ltd., National Research Building, Sussex St., Ottawa. Please quote number.

Asphalt Shingles

A new design of asphalt shingles which will not buckle or tear due to shrinking and swelling of roof boards. The shingle is marked to ensure proper nailing.—**Item No. 1987.**

Detection of Thawing

A simple reliable indicator which will show when packages have been kept at a temperature above their recommended storage temperature for a period long enough to cause deterioration. Useful mainly on frozen foods but does not reverse the indicator. Could be developed as an adhesive tape or label for application at the food or pharmaceutical manufacturing plant.—**Item No. 1945.**

Densimeter

A simple rugged instrument with high accuracy which can be used in industry. Developed originally for determination of headbox stock consistency in paper mills but applicable to the petroleum and many process industries where there is a need for rapid and accurate determination of density of liquids.—**Item No. 2595.**

Aromatic Acids

An improved process for the production of aromatic carboxylic acids. For example, Benzoic acid can be produced from toluene with a purity of 97% and a yield of 95-100%. Absence of side reactions eliminates contaminants and simplifies recovery and recycling.—**Item No. 1896.**

Company Report

Financial

INTERNATIONAL FINANCE CORP., Washington, at Sept. 10, 1958, had 55 member-countries whose subscriptions totaled $93,277,000. Canada's subscription is $3.6 million.

New members added during the year ended Sept. 10 were Afghanistan, Ghana, Greece and Malaya.

Between its commencement July 24, 1956, and Sept. 10, 1958, corporation had entered into 11 commitments totaling $10,417,000, and had disbursed a total of $3,397,000.

Net income for the fiscal year ended June 30, 1958, was $2,356,276, compared with the previous fiscal period's $1,642,932.

Closely affiliated with the World Bank, IFC deals directly with private business without government intervention. It is an investing rather than a lending institution.

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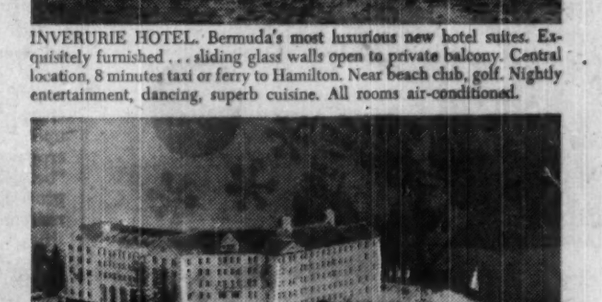
Come to Bermuda where it's still summer vacation time!

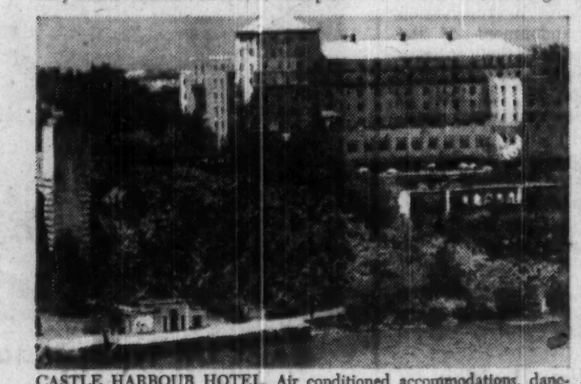
Bermuda's Fall days are warm and pleasant. Flowers brighten The Islands. Pink sandy beaches are invitations to loafing. Bluest, blue water is refreshing. Skin-diving and water skiing are thrilling. Sailing and fishing are beyond compare. Five golf courses tempt you. Superb tennis courts bring out your best game. Cycle along winding roads to a picnic cove. Sightsee by ferry or small English car. Pick-up welcome gifts—shopping is duty free. Dine and dance in memorable settings of sea and sky. You'll be glad you waited for a summer vacation in Bermuda.



ELBOW BEACH SURF CLUB. A luxurious resort estate. Private South Shore beach, en-tout-cas tennis courts. Game House. Near golf courses, ten minutes to Hamilton. Cocktail bar... dancing nightly featuring Calypso bands. Air conditioning in some public rooms and bedrooms.

BELMONT MANOR AND GOLF CLUB—Private championship 18-hole golf course, heated pool—80° all year, ocean swimming, tennis, fishing, sailing, water skiing, nightly dancing. Unique underwater bar. 15-minute ferry ride to Hamilton. Rooms, suites or penthouse. Air conditioned cottages.

INVERURIE HOTEL. Bermuda's most luxurious new hotel suites. Exquisitely furnished... sliding glass walls open to private balcony. Central location, 8 minutes taxi or ferry to Hamilton. Near beach club, golf. Nightly entertainment, dancing, superb cuisine. All rooms air-conditioned.



CASTLE HARBOUR HOTEL. Air conditioned accommodations, dancing, floorshows nightly, master-chef cuisine. Bermuda's largest beach, Beach Club. New Yacht Club with power boats, dinghies, Catamarans, Pedalos. Own golf course, tennis, pool, 180 acres. 300 seaview rooms.

PRINCESS HOTEL and COTTAGES. Overlooking Hamilton Harbour. Cabana pool and dancing terrace at the water's edge. Just a walk to shops. Golf at Riddell's Bay Golf Course. En-tout-cas tennis courts. Nightly entertainment and dancing. Air conditioning in some public rooms and bedrooms.

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ANNOUNCEMENT

NEW CHAMPLAIN OIL APPOINTMENTS

J. MICHAEL ESDAILE EMILE ST. GERMAIN

At a recent meeting of the Board of Directors of Champlain Oil Products Limited, Mr. J. Michael Esdaile was elected vice-president with responsibility for over-all Company marketing policy and operations. Mr. Esdaile has been closely identified with the development of the Company for the past ten years. At the same time, Mr. Emile St. Germain, B.Comm., was appointed general sales manager. Mr. St. Germain has been with Champlain Oil for eighteen years, more recently as assistant sales manager with headquarters in Quebec City. Under his direction there, the Company has expanded rapidly into the newer industrial areas of Eastern Quebec.

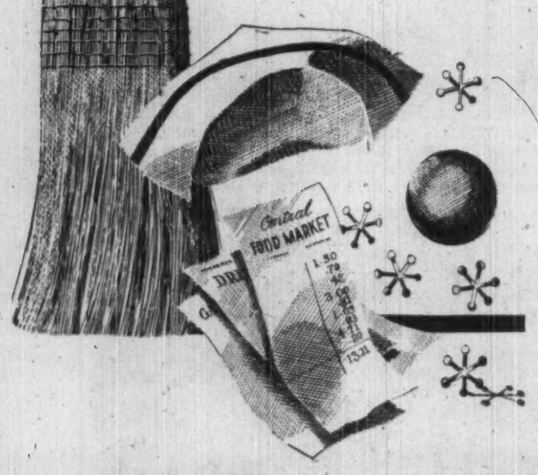
TOWN OF L'ABORD-A-PLOUFFE, Que., has sold $252,000 4½% 1959-68 and $267,000 5% 1969-78 serial debentures to a syndicate headed by **Dominion Securities Corp.** at 94.407 indicating net cost of 5.594%. Callable after Oct. 1, 1968. Proceeds for renewal of a short-term issue, waterworks, sewers and drafting of zoning plans. At Dec. 31, 1957, town's net funded debt $2,960,791. Population 9,460.

Player's Please

THE MILDEST BEST-TASTING CIGARETTE

Trust companies give personal service

the true story of an unusual estate problem



His wife was dead; his only daughter mentally retarded, and greatly in need of affection and understanding. His problem was how to continue his care for her after his death, as he had no relatives to whom he could turn.

He found the answer in appointing a trust company. His estate assets are now invested to produce a regular income, so that the household has no financial worries. His daughter is well looked after by his old housekeeper and a professional nurse. Bills and maintenance are attended to by a trust officer and, most important, he drops in from time to time to make sure that all is well.

Call in at any trust company and have a talk with their officers about your own estate problems. They can help you to work out a solution and you will be welcomed without obligation.

THE TRUST COMPANIES ASSOCIATION OF CANADA

Your Taxes

An exclusive FP column of comment on the trends in personal and business taxation.

By JOHN G. McDONALD, LL.M.

Not Just Peanuts In This Tax Case

Most tax appeals coming before the courts involve insignificant amounts of money from a revenue standpoint.

Even the officers concerned with tax administration will acknowledge that tax litigation is more important for its disciplinary effect than for the revenue it produces.

Every once in a while, however, a case arises in which the money counts.

An example is the depletion case pending in the Exchequer Court in which the court's judgment is still awaited with interest.

The amount involved, on an oil industry basis, could approach $70 million in taxes.

The depletion issue, however, is minor in comparison with the question whether oil and gas lease "bonus" payments are deductible as inventory expenses.

"Bonus" money is the lump sum consideration paid to the owner of mineral rights for a grant of the right to drill for and remove oil or gas.

In law, an oil and gas "lease" under which the mineral owner permits the "lessee" to drill, is not a lease at all.

It is a grant of what the law describes as a **"profit a prendre."**

This is ancient Norman French, and descends to our common law from the days when the language of William the Conqueror was the language of English courts.

It means, roughly translated, "right to take," and traditionally it refers to a man's legal right to fish, hunt, cut timber, or mine minerals in a particular place without acquiring any permanent title to the property upon which the right is exercised.

Timber, Oil Rights Like Goods in Store?

An oil lease, in other words, is merely a license to drill for oil and to take away any that you find.

It conveys no interest in the oil property itself, and if there is no oil to be found it conveys nothing at all except the right to explore.

When a manufacturer or merchant buys goods for fabrication and sale, the cost of the goods is deductible in computing net income subject to tax.

But when a logging company or oil company buys a right to cut timber or to drill for oil in order to acquire its stock in trade, quite different rules apply.

The logger is permitted by statute and regulation to amortize his cost over the life of the timber limit on a "unit production" basis.

The oil operator is granted a special deduction when crown petroleum rights are involved and no deduction whatever of the cost of acquiring "freehold" rights.

The special deduction for oil operators permits a taxpayer to write off the cost of acquiring a crown lease, licence, permit or reservation upon abandonment of the crown rights in their entirety "before any well came into production on the land in reasonable commercial quantities."

This allowance corresponds to the "abandonment" write-off available to American operators in Canada who file income tax returns in the U. S.

The U. S. allowance, however, is not limited to crown oil rights.

Canadian Position Differs from U. S.

Careful studies have indicated that U. S. depletion allowances average out at approximately 46% of net income from oil production. The Canadian allowance is 33 1/3%.

The U. S. allowance cannot exceed 50% of net income on a "per-property" basis—that is, calculated separately for each well or group of wells in which an oil interest is held.

The Canadian allowance cannot be taken on this basis.

Instead, all drilling and exploration expenses incurred must first be deducted, and **if the taxpayer is spending more over-all than his current net income from production, he enjoys no depletion allowance whatever.**

If his exploration activity continues at a pace in excess of current production income, many of his wells will be exhausted before any depletion allowance can be claimed.

When this result is combined with the mandatory capitalization of freehold bonus costs, it is apparent that U. S. oil operators have a clearcut advantage over Canadians in competing for exploration rights.

These Rights Called 'Stock-in-Trade'

This brings us to the recent case of **Louis-Philippe Gagnon,** a Quebec dentist and timber merchant who enjoyed a profit from the sale of timber cutting rights.

The timber permit had been received by Gagnon and his brother in compulsory exchange for freehold timber lands that had been in the family since 1916.

The freehold lands were required by the local authority for parish purposes and the cutting rights conveyed in exchange were made available by the provincial government.

Gagnon's defence against the claim for income tax on his profit was that the timber rights were a capital asset to him because he was not trading in such rights.

Counsel for the Minister of National Revenue "very skilfully tried to resolve [this] difficulty by claiming that what the Gagnon brothers sold was the product of a forest inventory which formed part of their business."

This argument was based upon the case of **C. W. Logging Co. v. Minister of National Revenue** in which Ritchie, J. said:

"A sale of land which includes the growing crop is, as a rule, the sale of a capital asset.

"A crop, however, can be harvested by the owner or sold standing to a purchaser with permission to enter on the land and harvest it.

"A sale of standing crop only, with title to the lands remaining in the vendor, is the sale of property which is akin to stock-in-trade or an inventory of raw material.

"Such a sale is of a current asset."

The Tax Appeal Board declined to follow this tempting reasoning in the **Gagnon** case, preferring the English rule that a distinction must be drawn between sales of inventory and sales of rights to acquire inventory.

It is significant, however, that counsel for the crown is prepared to argue that there is no such distinction in Canada, and to cite the Exchequer Court's opinion in support of the proposition.

If counsel is right in this, he will soon be hoist by his own petard:

The petroleum industry alone carries more than $500 million on its books that will qualify for deduction if oil drilling rights are "akin to stock-in-trade."

MUNICIPALITY OF STE. THERESE, Que., Protestant school commissioners have sold $141,500 4½% 1959-63 and $146,500 5% 1964-78 serial debentures to a syndicate headed by **Bank of Montreal** at 94.185 indicating net cost of 5.866%. Provincial grant of $129,816 for the issue. Callable after Sept. 1, 1968. Proceeds for enlargement and improvement of several schools.

What Capital Structure Is Best?

When a private Company decides to raise funds for the first time through the issue of bonds or shares, the question of revised capitalization raises many knotty problems.

A study of other Companies in the same field is generally not too helpful, as who would expect to find another company in the same industry, with an equivalent earnings record, equal liquid assets, a comparable relationship of equity to debt, and with a similar capital expenditure program in hand? Also differing needs and considerations of ownership often dictate the plan of financing to be followed.

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EDITORS' CONVENTION

The 13th annual convention of the Canadian Industrial Editors' Association will be held Nov. 13-14 in the Queen Elizabeth Hotel, Montreal.

The Sabre Story

Prestige Abroad, Jobs in Canada

Here's the record as Canadair ends production runs of famed fighter plane . . .

By CLIVE BAXTER

MONTREAL (Staff) — This week **Canadair Ltd.** wheeled its last production Sabre jet fighter off the line.

It was No. 1,815, destined for service with the new West German Air Force.

The story of Canadian Sabre production is one of almost unbelievable success. Canada produced its first Sabre in 1950 only two weeks after **North American Aviation Co.** in the U.S. built its first of the same type.

Since then the Canadair-built Sabre with Canadian-designed Orenda engines has consistently outperformed U.S. versions of the plane.

The sleek, fast fighters were available for the RCAF, RAF, European air forces and even the USAF at a time when they were vitally needed.

Now the last chapter has been written on this Canadian success story.

At a time when the whole future of the Canadian aircraft industry is up for discussion following the decision to trim—possibly end — production of **Avro's** CF-105 Arrow, the Sabre story makes interesting reading for Canadian industry.

It shows clearly how important aviation has become to Canada.

Here is the Sabre payoff for Canada:

- **Including exports of planes and parts,** Sabre sales from Canadair were just short of $560 million.
- **Canadian workers were employed for 100 million man-hours** — 56 million at Canadair itself, the rest at over 2,000 suppliers and sub-contractors.
- **There were over a million hours of engineering work in Canada** on the project.
- **Salaries and wages** were about $190 million.
- **Canadair estimates that 65% of the $560 million sales total** found its way back to federal, provincial and municipal treasuries in taxes.
- **The Sabre program played a major part in moving aviation up** to third place in industrial employment in Canada.

The decision to build the Sabre in Canada was made in the troubled days of 1949.

RCAF fighter squadrons were equipped with obsolete **de Havilland** Vampire fighters and even older prop-driven Mustangs.

At the Los Angeles plant of North American Aviation a new fighter was taking shape. Its type number: F-86E.

It was the first fighter in the West to have wings that swept back, something the Germans had discovered during the war would go a long way toward licking the severe problems of buffeting experienced at Mach One, the speed of sound.

It seemed logical to let North American build it and get the bugs ironed out, then to apply for a license to build it in Canada.

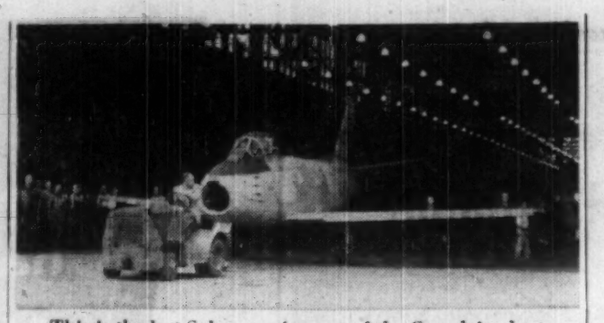
But time seemed short. The Russian threat increased. The Russians had the MIG-15 fighter, and were delivering production models to their squadrons.

The West had always known that it would be outnumbered in the air if war came. Now for the first time came the realization that we would be outclassed as well, unless we got a new aircraft into production — and quickly.

That was the background that led Ottawa in 1949 to order the Sabre into production at once—and that was how Canadair was able to have its first Sabre flying within days of North American's.

Initially some 90% of the 15,000 parts and components that went into the Canadian Sabre were imported from the U. S.

However it had been intended to switch as much as possible of the sub-contracting to Canadian plants. By 1956 about 85% of the purchased components were Canadian.



This is the last Sabre coming out of the Canadair plant

The first 350 Sabres off Canadair's line were virtually identical to their U. S. counterparts. They were powered by **General Electric** J-47 jet engines.

A new engine was under development at the Toronto factory of **Orenda Engines,** to be used for the Avro CF-100. It was considerably more powerful than the J-47. Could it be fitted to the Sabre?

The result was better than anyone had dared hope. Orenda engines powered the Mark 5 and 6 Sabres that became recognized as the best fighters anywhere in the West.

Possibly more important to Canadair was the fact that it had a hot export item.

Sales to South Africa, Colombia and finally the biggest sale of all — 225 to West Germany —were all won in a hard fight with U.S., British and French planemakers.

These were not "off-shore" NATO purchases. They were straight cash-on-the-barrelhead sales, bitterly contested.

Now the Sabre era is over. With it goes the work that—at its peak — kept nearly 5,000 people employed outside Canadair itself.

The Sabre production line is not to stay empty. Already the first of Canadair's CL-66 turbo prop airliners is moving in to fill the gap. But unless Canadair can pull off enormous sales of these versatile planes, it seems unlikely things will be as busy again.

The decision to produce Sabres in Canada paid off.

It helped give the air forces of the West a top-line fighter when it was badly needed.

It kept a great many Canadians employed. It kept defence dollars at home that might have been spent abroad. It ended up earning Canada substantial export orders.

The Sabre story is one that Ottawa will have in mind as new defence policy is decided in the weeks ahead.

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Canadair Outlook

As of this week, Canadair has just under 10,000 on the payroll. But some layoffs may follow cancellation of the Sparrow 2 missile project.

Here is the project and production scorebox:

- **CL-28 Argus anti-submarine patrol bomber.** Built: 17; on order: 16; outlook: possible order for about 15 more from RCAF, good chance of substantial export orders if NATO accepts the Argus as a standard weapon.
- **CL-44 turbo prop airliner,** long range, 150 seater. Built: none; on order: eight for RCAF; outlook: could sell possibly 20 to airlines and freight carriers. Could sell more if airlines open a fare-cutting battle which would improve turbo prop acceptance.
- **Canadair 540 or CL-66,** twin-engined turbo prop version of Convair 440. Built: none; on order: 10 for RCAF; outlook: promising, especially for conversion of existing Convair 440s to turbo prop, a fairly major job. Good chance of major sales to Brazil and other South American countries.
- **CL-41 small two-seat basic jet trainer.** A private venture due to test fly next year. Company hoping to sell to RCAF to replace Harvard. None ordered yet.
- **The Rat army vehicle.** Small batch built, none on order.
- **Sparrow 2 guided missile.** None built; project now shelved.

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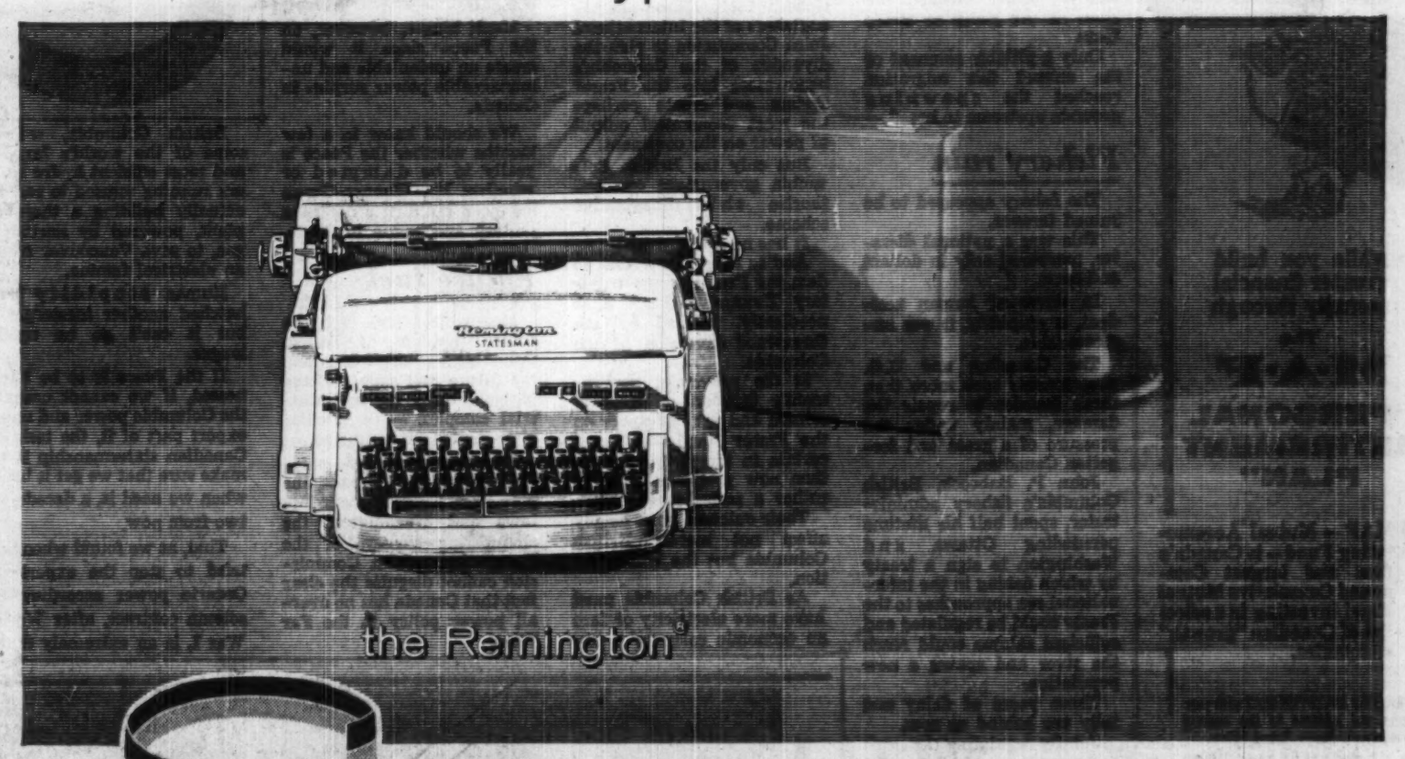

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Do it now!

Bruce Hutchison writes about:

Can we save our power as we saved salmon?

"Under sufficient necessity, the human species can sometimes arrange its affairs as sensibly as the salmon arrange theirs . . ."

THE MYRIAD shoals of salmon that swarmed up the Fraser River this autumn to lay their crimson eggs and die on their native sand bars five hundred miles from sea may seem to be only a natural phenomenon — the mysterious and rather tragic life cycle beloved of naturalists, sentimentalists and feature story writers.

In fact, it is much more than that.

The astounding recovery of what was once the world's most valuable salmon fishery represents a quiet miracle of human intelligence, a unique achievement of international common sense, the solution of a large national problem and the emergence of a still larger one.

As in countless centuries before our time, the life of the Pacific salmon and the life of man are again intermixed.

After nearly exterminating it, man has restored the huge Fraser fishery only to find that the success in this aspect of his affairs raises grave complications in another.

This year's big sockeye run is the latest act in a long Canadian drama, now moving erratically toward denouement.

Until the white man's arrival, the Fraser and its unfailing autumn harvest of rich protein was the Indians' main source of food.

The white man canned the salmon, sold it all over the world and built his first permanent export industry on Canada's Pacific coast.

But in the two years before World War I slides of rock on the new **Canadian Northern Railway** grade blocked the river at the gorge at Hell's Gate.

Only a pitiable remnant of the annual fish migration reached the spawning grounds upstream to breed.

Fishery ruin

The fishery appeared to be ruined forever.

This was a national disaster, measured only in dollars and cents.

In terms of human accident, or stupidity, it was immeasurable.

The Canadian and U.S. governments took more than three decades to repair the damage, mainly under the pressure of a great and forgotten Canadian.

John P. Babcock, British Columbia's fishery administrator, spent half his lifetime persuading Ottawa and Washington to sign a treaty by which fishing in the international sea approaches to the Fraser could be regulated and sufficient salmon could reach the river and spawn a new population.

Those years of delay and folly are behind us now.

Jointly regulating the catch and carrying the salmon past the Hell's Gate vortex in huge concrete tubes, Canada and the U.S. have largely renewed the ancient ocean crop.

Its value this autumn is more than monetary.

We see here, in a world of stark and general madness (as the editors of this newspaper recently called it) that sanity between nations is sometimes possible.

The human race is not always as crazy as it looks.

How far does our continental sanity go?

Can it be applied to the second problem now emerging from the solution of the first?

That second problem, of course, is the development of electrical power to serve the rapidly-expanding community of the Far West on both sides of the border.

Real treasure

The Fraser's largest treasure is not its salmon but its energy.

An unimaginable force of water descends by this furious channel from the Rockies to the sea.

Harnessed by a few high dams, it could provide some of the world's cheapest electricity in gigantic volume.

If the main stream and its tributaries are dammed the salmon disaster of the Hell's Gate slides will be repeated, on a larger scale.

The fish run will be destroyed, this time almost completely.

Hence the present question: Should Canada trade the salmon for power incomparably more valuable in financial reckoning?

The question apparently has been answered, for the present anyway, in the negative, and wisely so, as I think.

In a hungry world, where the price of salmon is constantly rising, it would surely be both a moral and economic blunder to sacrifice this food when we have alternative sources of power.

Whatever one may think about that, the bountiful run this fall has given the fishing industry a strong argument.

The food possibilities of the Fraser are demonstrated at last.

It is perfectly proper for General McNaughton and his engineers of the International Joint Commission to plan the diversion of the Columbia's headwaters into the Fraser system and create perhaps the most economical output of power on the continent.

But only the British Columbia government can authorize this imaginative scheme.

It has no such intention.

And so long as it refuses to dam the Fraser or the tributary Thompson, the U.S. is needlessly worried by the threatened diversion of the Columbia.

If the provincial government's decision in favor of salmon and against power on the Fraser stands, as seems certain in the visible future, then new problems arise, or rather a series of problems.

Their outcome must deeply affect not merely British Columbia but the whole nation.

As British Columbia must have more electricity or face an economic calamity a few years from now, the Columbia seemed, until recently, to be the only practical alternative to the Fraser.

Premier Bennett has drastically revised those calculations and cut straight across Canada's negotiations with the U.S. on the Columbia's international development by proposing to dam the Peace River, on the Arctic watershed.

Assuming that the Wenner-Grenn interests go ahead with this titanic project — and Mr. Bennett says they undoubtedly will without delay—then the Peace will supply more than four million hp at the beginning and a larger supply later on.

There will be more electricity than even a growing British Columbia can use for many years to come.

Thus in negotiating with the U.S. for the joint use of the Columbia, Canada may soon be driven back toward Mr. Bennett's original policy, as blocked by Ottawa in the case of the famous Kaiser Dam, and toward the hard logic of the Gordon Report.

Once we are served by the Peace and cannot use more than a fraction of the Columbia power, why not sell most of it to the U.S. for cash?

(Some export would be necessary for a time even without the Peace, according to the Gordon Report, much more if the Peace is harnessed.)

That would be a complete reversal of Canada's long-standing prohibition on power exports, but in Mr. Bennett's view it is inevitable and good business.

Much hinges, however, on the Peace since it would create an undeniable and unmanageable power surplus in Canada.

We should know in a few months whether the Peace is really to be dammed or whether Mr. Wenner-Grenn has been building a northern fantasy and castle in Spain.

Future fuel

Meanwhile the whole power problem of British Columbia — which is to say the future fuel supply of the nation's third major industrial complex — is in complete doubt and confusion.

All the confident statements from Mr. Bennett, the ponderous negotiations in Ottawa and Washington, the engineering surveys of the International Joint Commission cannot disguise the clear fact that Canada has no overall power policy in the Far West.

British Columbia, with some of the world's largest and most efficient hydro rivers running unused to sea, is actually building a thermal plant, powered by northern gas, to save Vancouver from an electrical famine.

Human stupidity has hatched another masterpiece but it can't go on much longer.

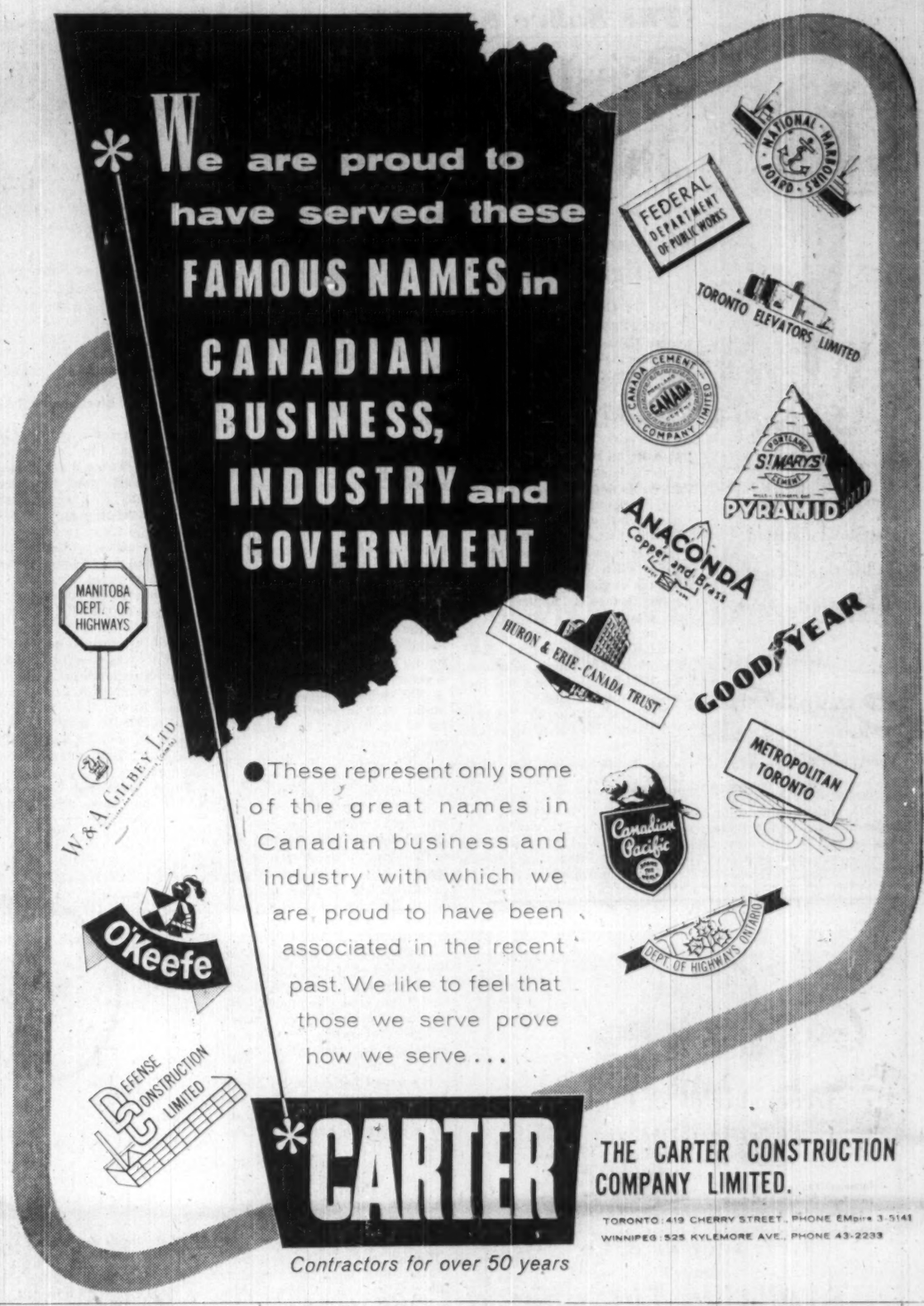
If the Peace is to be harnessed, if we cannot use all the Columbia power and must export part of it, the task of Canadian statesmanship is to make sure that we get it back when we need it, a decade or two from now.

That, as we found when we tried to stop the export of Ontario power according to solemn contract, after World War I, is an extremely difficult thing to do, after the U.S. has built industries and communities entirely dependent on our fuel.

Presumably the return of temporary exports can be securely arranged, under the formula of the Gordon Report, provided we are firm enough at the original bargaining table and don't lose our nerve at the end of the contractual selling period.

Despite all the many mistakes on the international border, this year's salmon run tells us that the intelligence of two neighboring countries can solve the most intractable issues if it is applied soon and vigorously enough.

Under sufficient necessity, the human species can sometimes arrange its affairs as sensibly as the salmon arrange theirs.



Bond Financing Rises 49% Over Nine Months in 1957

Canadian government, provincial, municipal and corporation public bond financing in Canada totaled $2,441,956,102 in the first nine months of 1958.

This was 49% higher than the January-September, 1957, total of $1,637,162,848, according to the monthly compilation by **Wood, Gundy & Co.**

The Canada Conversion Loan is not included since no figures were available for amounts in each maturity.

Financing for the month of September was up to $118,901,037 compared with $97,132,664 in September, 1957.

Municipal bond financing during September, 1958, totaled $32,401,037, almost double that for the same month last year.

New corporation bond financing was down to $11.5 million for September, 1958; for September, 1957, it had been $34.1 million.

Here is a breakdown on bond issues in the first nine months of 1958, compared with January-September, 1957:

Jan. 1 to Sept. 30:	1958 $	1957 $
Canada direct & guaranteed*	1,050,000,000	149,386,459
Prov. direct & guaranteed*	471,294,000	441,745,500
Ont. munic.	111,433,378	120,887,735
Que. & Mari. mun.	138,760,300	101,447,750
West. mun.	42,808,224	29,467,313
Corporation	627,640,000	894,268,100
Total	2,441,956,102	1,637,162,848
Pay. in Can. fds.	2,068,860,481	1,084,480,548
Pay. in U.S. fds.	373,095,621	552,702,300
Can. short-term obligations†	5,315,000,000	5,605,000,000
Prov. short-term obligations†	70,000,000	.....

*Over two years in term.
†Under two years in term.
‡Includes $49,366,456 Canada Savings Bonds, Series 11 sold in 1957.

Abitibi Newsprint Demand Steady

"Demand for newsprint appears to have stabilized at a level approximately equivalent to a five-day week operation for our mills," President D. W. Ambridge told shareholders of **Abitibi Power & Paper Co.**

Market for fine paper and other products continues "relatively firm," he added.

Operations at the new Alpena, Mich., mill of **Abitibi Corp.** are steadily improving in terms of sales, production and efficiency.

Queen Elizabeth Hotel, Montreal, P.Q., Photo Courtesy C.N.R.

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Adams River Year Netted $38 Million

How fabulous salmon run and a 'miracle' brought prosperity to B. C.'s fishing industry . . .

From Our Own Correspondent

VANCOUVER—This was the "Adams River Year."

A year of great expectations, complete fulfillment, dramatic events and much wealth, all the result of careful planning.

See Hutchison, p. 16.

"Adams River" means nothing to most Canadians, but to economically harassed British Columbia it means a measure of prosperity.

And to thousands it means money in the bank, new fish boats and gear, new cars, paid-off mortgages and winter vacations in Hawaii's sunshine.

For 1958 was the year when the red-fleshed, premium Adams River sockeye salmon swarmed from their ocean haunts into the Straits of Georgia in their millions and brought B.C. fishermen their greatest bonanza in history.

It was worth at least $21 million to the men on the big-bellied purse seine boats and the tiny gillnetters.

It was worth a total of $38 million in domestic and overseas sales to the cannery companies.

And it put a stout prop under the province's economy sagging in the past year under multiple strikes and the recession.

It was all the result of careful planning, a highly-technical and scientific program of conservation which brought the famous Adams River run back from a few thousand cases to its present peak of more than one-million cases.

The rich run was virtually wiped out in 1913 when blasting for the railroad nearly blocked the Fraser Canyon at Hells Gate.

Only a handful of the spawners could get through until the Canadian and U. S. governments, united under the North Pacific Sockeye Salmon Commission, constructed a $1 million fishway to get the spawners past the boulder obstructions.

Since then the run has come back, growing greater with every four-year cycle.

The salmon is spawned in the Adams River watershed north of Kamloops every four years.

The Adams is a tributary to the Fraser.

Ancient cultures had their Sun Gods, their Rain Gods or their Gods of Fertility.

British Columbia does the same, but on a more civilized basis.

It has its Salute-to-the-Sockeye Festival held at Salmon Arm near the spawning grounds.

The Salute is a three-day celebration sponsored by no less than 11 dollars-and-sense federal, provincial, commercial and recreational bodies.

A special train runs from Vancouver.

Buses, cars and planes come from everywhere.

All accommodation within 50 miles is taken by the 30,000 visitors.

And for what?

To watch the mating of about 1.5 million male and female sockeye salmon who have fought their way up to the exact spot in the river where they were spawned four years ago.

It is one of nature's phenomena.

Nowhere in history has there been such a publicized mating.

They will watch the weary females burrow shallow holes in the loose river gravel, and lay their eggs.

Then the male will spurt his milt over the declivity and swish gravel over the nest.

Then both will die within a day or so, their four-year life cycle over.

The hatched fingerlings will travel the hundreds of miles downstream to the sea.

On the way untold millions will perish. As they mature, untold millions more will die.

But in 1962 they will again swarm into the strait and breast the Fraser River's flood and their numbers will continue to grow.

Last peak year of 1954, there were about 14 million fish.

This year, the total sockeye run could be 16 million.

In 1962, the figure might well be 20 million.

This year, in about three weeks, Canadian fishermen took about 9.2 million sockeye, one of the greatest catches in history.

The Americans who under international agreement share in the run took another six million fish.

The reason for the higher Canadian total was that 58% of the fish moved down through Johnstone Straits which is Canadian waters, rather than through Strait of Juan de Fuca which is international waters.

In 1954, only 4% of the fish took the Canadian route.

This massive stroke of good luck for the Canadians was caused by the sockeye's reluctance to move into the warmer southern waters.

The waters of Juan de Fuca had been raised five degrees higher than normal by an unexplainable shift in the Japanese current.

In Johnstone Strait, the Canadians massed 150 seiners and about 450 one-man gillnetters.

In Juan de Fuca, as many seiners and about 800 gillnetters were stationed.

In about three weeks, fishing only five days a week, the Johnstone fleet caught 4.9 million fish, each about seven lb.

At the regulated price of 28c lb. undressed, this catch alone was worth $9.5 million.

Biggest day in Johnstone Strait was Labor Day when more than 500,000 fish were caught.

This was almost twice the amount taken during the whole season in the Strait in 1954.

On Aug. 18, more than 350,000 sockeye were taken.

On Sept. 2, another 450,000 were netted in Straits of Georgia and Juan de Fuca.

In Big Week, as fishermen will always remember it, 3.9 million sockeye were caught, or about 27.3 million lb.

There has never been anything like it.

Canadian and U. S. officials had predicted a record year on the basis of the 1954 escapement, but the enormity of this run stunned them.

Night and day the huge-hulled packing boats waddled decks awash into the wharves with huge collections.

The **Imperial Cannery** at Vancouver one day had a backlog of 400,000 lb.

The problem of storage rapidly became acute as the vast pack of cases piled up, each containing 48 one-lb. cans.

The pack of sockeye was estimated at 1.1 million cases while earlier less premium runs of other species was another 700,000.

The canneries were committed to buy all top-grade sockeye offered and they did.

The Canadian market would absorb about 300,000 cases of sockeye.

Britain had long been the West Coast's favored customer, but their buyers since 1939 had been strangled by import restrictions.

But even so the Fisheries Association of B.C., representing the big companies, had coddled the U. K. market — even to the extent of buying Japanese canned salmon for the Canadian market the past two lean years so Britain could have their quota of B.C.'s best sockeye.

With the vast surplus piling up, the association began to lay plans for the largest and most expensive campaign to sell the surplus.

Several millions were to be spent luring foreign customers.

It was estimated two years of "hard sell" would dispose of the pack.

Until then, the canneries would have to pay heavy insurance, interest and warehouse rates which would cut deep into profits.

Then a miracle occurred.

On Sept. 17, Sir David Eccles, president of the British Board of Trade, announced at the Commonwealth Trade Conference in Montreal that the U. K. had lifted currency restrictions on many goods, including canned salmon.

The impact was breathtaking.

When cannery offices opened at 8 a.m. the next day—5 p.m. Greenwich Time—the British orders poured in.

More than 500,000 cases was scooped up in 24 hours.

Some orders were more than the entire British quota of 1957 of 100,000 cases.

Total sales that day were $26 million.

For years the industry had been nurturing the small U. K. market while desperately cultivating other markets.

They had to fight unbelievably tough Japanese competition as well as rising costs and wages.

But within 24 hours their faith in the British market was justified.

The golden wand had been waved and their long battle was over.

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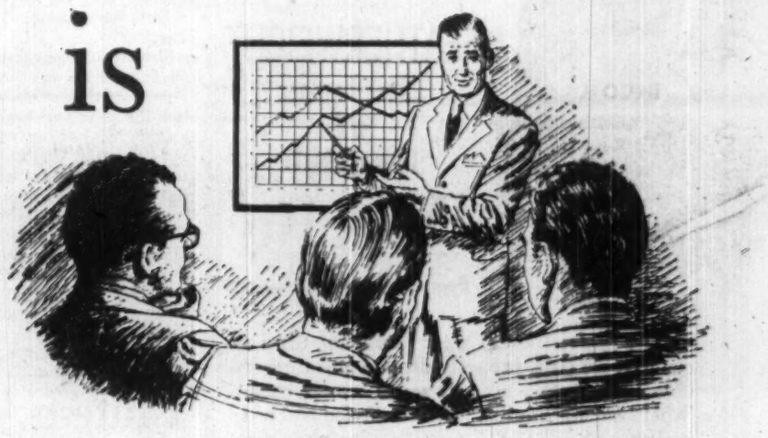

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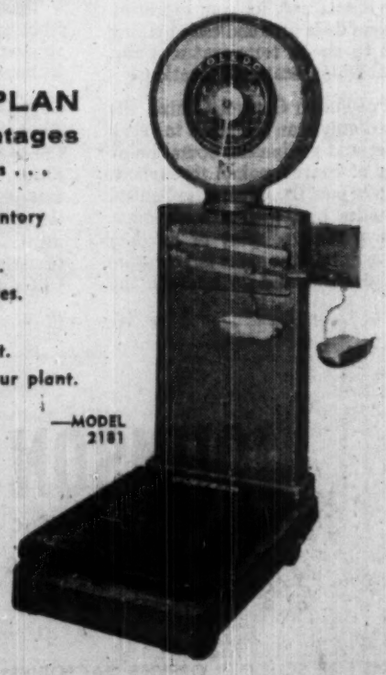

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By a Wall Street Journal Subscriber

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This story is typical. If you think The Wall Street Journal is just for millionaires, you are WRONG! The Journal is a wonderful aid to salaried men making $7,500 to $25,000 a year. It is valuable to owners of small businesses. It can be of priceless benefit to ambitious young men who want to earn more money.

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CFP 10-11

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Healthy Climate To Pep Business

But labor costs, union power rouse debate at Chamber of Commerce annual . . .

MONTREAL (Staff) — The business climate is better — but executives are worried about their future ability to weather recession storms.

This looks like a fair interpretation of proceedings at this week's 29th annual meeting of the Canadian Chamber of Commerce in Montreal.

For Canadians wondering about the economy, the biggest plus sign was the constant reference to the recession — or "business decline," as some said — in the past tense.

Many addresses and from-the-floor comments assumed that solid economic recovery was in process.

And the chamber's annual report to its 700 delegates said:

FP digest of speeches . . . pp 38-39

"Despite a smaller than average wheat crop it looks now as if gross national production in 1958 will top $32.5 billion or about 3% above last year.

"Actually if recovery proceeds in the balance of the year as it has thus far, GNP in the fourth quarter might well run as high as $33 billion at a seasonally adjusted annual rate.

"Lending strength to the turnaround in business has been the nation's ability to consume goods and services.

"Another important support has been the activity in the housing industry.

"If sales continue to gain in strength it is probable that industry will have worked off most of its burdensome inventory this fall. If so, some additions to inventory in the fourth quarter will be warranted."

But the chamber warned members:

Business recovery, as now envisioned, won't cut unemployment this winter much below the year previous; the same economic upswing could easily tend to boost imports, thus fattening our trade deficit; and inflation, egged on by the wage-cost spiral, is a distinct threat.

These misgivings — and others expressed by delegates and speakers — indicated that business is worried about its ability to cope with economic emergencies.

These things were mentioned most frequently as lessening such flexibility:

- **Labor costs** which are rising, becoming more inflexible and less under the control of management.
- **Inflation,** whether stemming primarily from rising wages or not. Inflation brings higher prices — which hurt us in export markets.
- **And, often, a profit which may rise** but still does not keep pace with the general price level. The chamber's annual report commented that, "The government to some extent has a vested interest in inflation since revenues during inflationary periods rise more rapidly than expenditures."
- The tendency of the public to accept willingly an increasing number of limitations on management's freedom of action. These may be imposed by labor by law, or by accepted practice.

The convention devoted a full morning to a discussion of freedom. Reaction to this general subject quickly showed the specific fear of businessmen that their freedom of action may be restricted, to the real long-run benefit of no one.

A lengthy session on labor relations further reflected the conviction that labor power is building bars around management's ability to act.

One point recurred. This was the demand for greater limitation on and, more important, better definition of union powers. Much more will be heard of this.

A. E. Grauer, president and chairman of **British Columbia Power Corp.,** said:

"One would expect appropriate duties and responsibilities for (unions) to be clearly laid down by law — which they are not — as well as their rights and privileges — which are.

". . . In view of the complexity and importance of the trade union situation, it is probable that some basic definition of the responsibilities of trade unions will be necessary by statute, as well as some protection for the individual liberties of the rank-and-file."

Both at the convention and elsewhere, these ideas are becoming increasingly popular.

They are certain to become the fighting ground for a major labor-management war of words — with the federal and provincial governments in the middle.

Chamber's Spokesmen

MONTREAL (Staff) — New officers elected at the Montreal convention of the Canadian Chamber of Commerce:

President: Albert C. Ashforth of Toronto, president, **Toronto-Dominion Bank.**

First national vice-president: W. A. Scammell Case of Saint John, executive vice-president and secretary-treasurer, **T. McAvity & Sons Ltd.**

Second national vice-president: Herbert G. Love, Calgary radio and television executive.

Chairman of the executive council: Morgan Reid of Toronto, general manager of planning and public relations, **Simpsons-Sears Ltd.**

Vice-chairmen: W. J. Adams of Toronto, vice-president and secretary, **Canada Life Assurance Co.,** and R. H. Keefler of Montreal, vice-president operations, **Bell Telephone Co. of Canada.**

Honorary treasurer: Chas. B. Neapole of Montreal, assistant general manager, **Royal Bank.**

Associate honorary treasurer: Donald B. Cruikshank of Ottawa, president, **Steel Equipment Co.**

114 Stocks Yield Averages 4.26%

The average yield on 114 dividend-paying stocks on the Toronto Stock Exchange, as compiled by **Moss, Lawson & Co.,** on prices of Oct. 6 was 4.26%, down .10 from the previous week. The current yield compares with 4.38% one month ago and 5.39% in the corresponding week last year.

Here is the yield by various groups:

	Oct. 6 %	Week Ago %	Month Ago %	Year Ago %
Common	3.91	3.98	4.00	4.96
Pfd. & A	4.90	4.89	4.81	5.59
Mining	4.93	5.20	5.26	6.80
Banks	3.05	3.17	3.24	3.71

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THE INVESTMENT FUNDS

United Accumulative Fund Net Assets Rise 102%

United Accumulative Fund Ltd. total net assets were $658,176 at Sept. 30, 1958, up 102% from $325,845 at March 31, 1958.

Net asset value per share was $13.68, 16.3% higher than $11.76 per share at March 31, 1958.

Approximately 90% of Fund's assets have been invested in common shares of Canadian corporations, principally in public utilities, banks, trust companies, steel, oil and gas, said Vice-President R. H. Adams. The remainder was invested in preferred shares and debentures.

Here are the portfolio changes made during the six-month period ended Sept. 30, 1958:

	Shares held Sept. 30 1958	Change since Mar. 31 1958
Bk. of Montreal	300	+100
Bk. of Nova Scotia	400	+200
Cdn. Bk. of Comm.	400	+225
Royal Bank	400	+200
Tor.-Dom. Bank	400	+200
H. Walker	1000	+500
Canada Cement	400	+100
Can. Wire B	200	+100
Cdn. Dredge & Dock	200	+100
Cdn. Ind. Rand	300	+200
Industr. Accept.	500	+200
Traders A	400	+400
Cons. Paper	200	+100
Great Lakes	200	+100
Westminster B	300	+300
McIntyre	100	+50
Cdn. Oil	200	+100
Bell Telephone	300	+100
B.C. Power	600	+400
Consumers' Gas	600	+300
Gatineau	200	+100
Int. Pipe Line	400	+250
Quebec Nat. Gas (units) 5½% cum. 2 com. shs.	150	+150
Union Gas	1200	*+200
Algoma Steel	400	+400
Can. Iron Foundries	400	+300
Dominion Foundries	600	+400
Page-Hersey	500	+375
Steel of Canada	300	+100
Gunnar	800	+300
Preferred:		
Massey-Ferguson	200	+200
Debentures:	$	$
Cdn. Delhi 5½%	25,000	+25,000

*Adjusted for 3-for-1 stock split.

MUNICIPALITY OF CAP-DE-LA-MADELEINE, Que., school commissioners have sold $267,000 4¼%, 1959-68 and $113,000 5% 1969-78 serial debentures to **Belanger Inc.** at 97.214 indicating net cost of 5.298%. Provincial grant of $216,006 for the issue. Callable after Oct. 1, 1968. Proceeds for construction of a school with residence; and for payment of additional expenditures at certain other schools.

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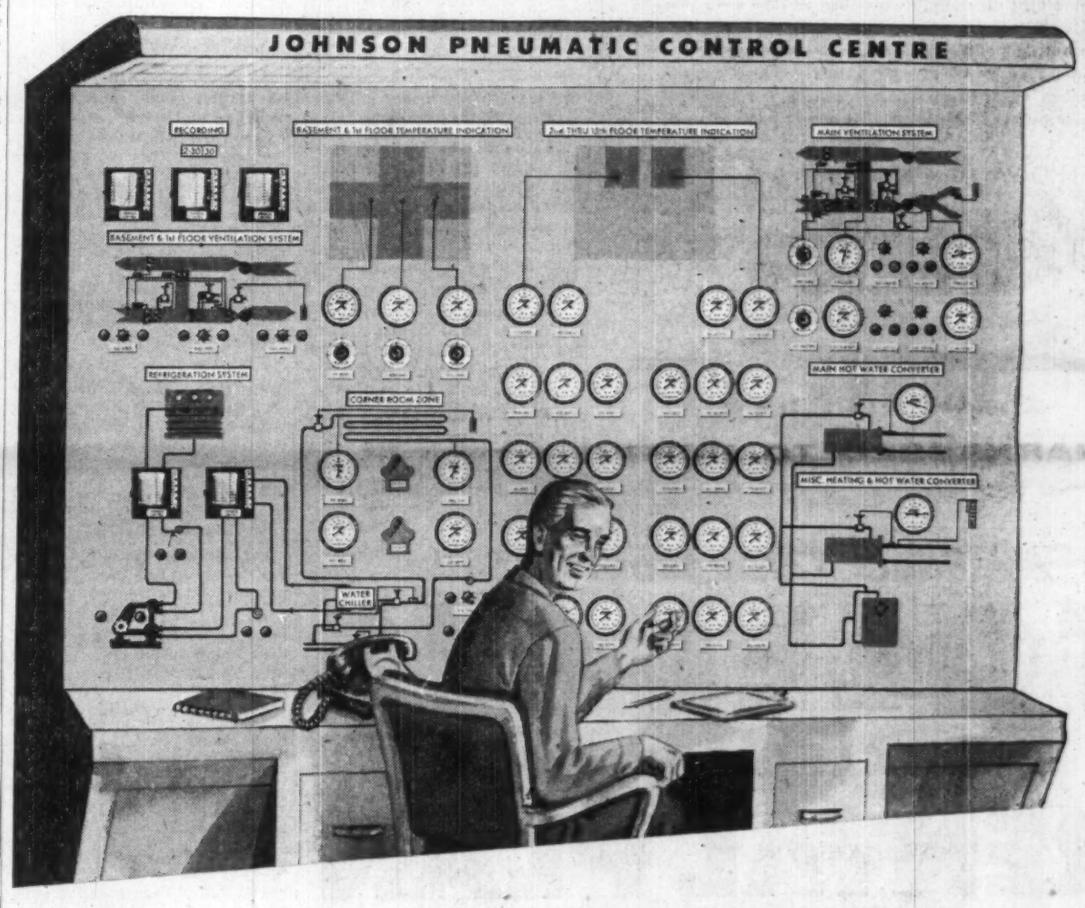

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Pacific Western Move Opens New Angle in Airline Fight

VANCOUVER — Air Transport Board hearings into competition along Canada's air routes got underway here this week — and started off with a surprise move:

Pacific Western Airlines withdrew its application for transcontinental routes, filed the same time as **Canadian Pacific Airline's** bid.

The move promises to "hot up" the final hearing opening in Ottawa Oct. 20.

Trans-Canada Airlines, FP understands, will then challenge the withdrawal if CPA is planning to hand over a number of its unprofitable northern routes to PWA in return for its leaving the trans-continental battle.

At this week's Vancouver hearing, PWA denied there was any such plan.

But — if such a step is planned, it would have considerable logic and would follow closely the advice of British airline expert Stephen Wheatcroft, who pointed out that the smaller airlines could handle the less profitable routes under direct subsidy more efficiently than the major carriers.

The real struggle between TCA and CPA was due to begin at week's end in Winnipeg when the two lines exchange briefs for the first time.

These will be kept from the press and public until the Ottawa hearings ten days later, when both lines will argue their cases publicly.

One of the key points expected in TCA's brief: an estimate that if CPA gets the routes it asks, TCA will go $30 million into the red in the next three years.

Range, Cost and Low Noise Put 'Electra' in Running

MONTREAL (Staff) — The newest U.S. airliner stopped off at Montreal this week at the start of a 27-country, high-pressure sales tour.

It came at a time when the newspapers were full of jet news following **BOAC's** Comet dash across the North Atlantic.

But this week's visitor was no sleek, swept-wing jet. It was **Lockheed's** Electra turbo prop, a big, economical airliner planned to cut costs rather than time.

Not that it is slow in the air. The Electra can carry up to 99 passengers at a brisk 400 mph — a speed that World War II fighters were hard-pressed to reach.

But economy and flexibility of operation are the key-notes of the design.

If the airlines split over the thorny problem of fare differentials and some decide to drop ticket costs despite international agreement (FP, Sept. 27), the Electra could become an important factor in the race.

Electra stopped off in Montreal more as a courtesy to **Trans-Canada Air Lines**—which is already committed to the similar **Vickers** Vanguard — and to the officers of International Civil Aviation Organization and International Air Transport Association who make their headquarters here.

The "economy plane" offers:

- **Flexibility.** With only half its seats filled the Electra will make money on short hops like New York-Toronto, or on the 2,000-mile range stages.
- **Quick ground handling.** Able to take off and land with its full fuel load, the Electra can cut its time on the ground to a minimum between refills.
- **With its reverse propellers** the Electra can operate in and out of fields with 6,000-ft. runways. There are at least 1,300 of these across the world and only a handful with the 10,000-ft. runways the new jets need.
- **Turbo prop quiet** which Lockheed executives were offering as an additional prize for communities near airports which are worried about jet noise.
- **A cost of $2.2 million,** versus $5.5 million for the big jets.

Canada will begin to feel the effects of Electra service before the end of the year when **Eastern Airlines** plans to introduce the type on its Montreal-New York service. **American Airlines** will introduce Electras to Toronto later.

Light Plane Operators Get Licenses

MONTREAL (Staff) — There was good news this week for some of Canada's small plane operators.

The much discussed "Hees Plan" — which frees Class C carriers who fly light aircraft from many complicated licensing restrictions — was coming into full effect.

Operators received the latest batch of notices from the Air Transport Board in Ottawa announcing the results of applications made during September.

All came back stamped approved, though some had reservations.

The majority of established carriers, and a number of aviation insurance underwriters, bitterly oppose the plan on the grounds that there will be too much competition with a resulting drop in safety (**FP**, July 19).

These applications were approved:

Skyline Aviation Ltd. to carry out air training and aircraft rental in Montreal.

Green Airways Ltd. to fly charter service with goods and passengers from Red Lake, Ontario.

Air Activities Inc. to fly non-scheduled services between Fargo, North Dakota and points in Alberta, Saskatchewan, Manitoba and Ontario.

Lake Simcoe Flying School to carry out flying training and recreational flying from a base at Baldwin, Ont.

Webb's Bushed Flying Service to operate a charter service from McIntosh, Ont.

Superior Airways Ltd. to carry out aerial photography, survey and patrols from Fort William and Armstrong, Ont.

While none of these decisions in themselves will greatly alter the aviation picture in Canada, airmen now feel the trend is clearly marked. There is going to be lots more competition.

Now remains to be seen what effect it has.

Waterman Gets Set to Expand Overseas

MONTREAL (Staff) — **L. E. Waterman Pen Co.,** Montreal, is getting set to expand operations in a number of Commonwealth countries.

The company has made arrangements to buy a 42% interest in **Henry C. Stephens Ltd.,** a major English manufacturer of inks, typewriter ribbons and office supplies.

The transaction — which will in effect give Waterman control of Stephens—has been approved by the boards of both companies.

A majority of the shares in Stephens (listed on the London Stock Exchange) acquired by Waterman were obtained in payment for Waterman's English subsidiary which was sold to Stephens.

Balance was purchased from Stephens' officers.

It is expected that more shares will be added to Waterman's holdings on Stephens during the next 12 months so that ultimate ownership interest will be about 48%, Waterman officials say.

For Waterman the move will help development of sales in various Commonwealth markets, as Stephens already has strong subsidiaries in such countries as New Zealand, India and South Africa.

This is the second merger involving Waterman in the past five months.

In June it acquired **Kemper Industries Ltd.,** Cincinnati, Ohio, a former advertising specialty maker and merchandiser (**FP**, May 10).

FUNDS' VALUE RISES

Unaudited apparent liquidation value of Canadian General Investments Ltd. at Sept. 30, 1958, was $43.18 per share on net assets, including investments at market value, compared with $39.19 at July 30. Value of **Third Canadian General Investment Trust** was $7.28 per share, up from $7.21 three months earlier.

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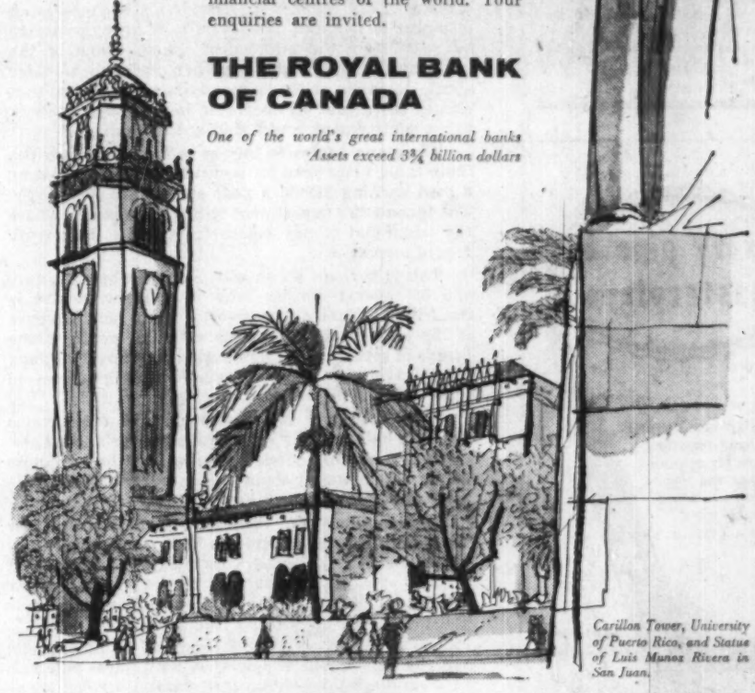
Established in Puerto Rico since 1907, the Royal Bank today operates branches in San Juan, Mayaguez, Santurce, Guanica, and Hato Rey. In addition the bank maintains a network of 75 other well established branches throughout the Caribbean, Central and South America.

Each branch offers you the advantage of a direct banking connection with most of the active business areas in the Caribbean, Central and South America, and with the principal trading and financial centres of the world. Your enquiries are invited.



THE ROYAL BANK OF CANADA

One of the world's great international banks
Assets exceed 3¾ billion dollars

Carillon Tower, University of Puerto Rico, and Statue of Luis Munoz Rivera in San Juan.

HEAD OFFICE IN MONTREAL — OVER 900 BRANCHES *in Canada . . . Argentina . . . Brazil . . . British Guiana . . . British Honduras . . . Colombia . . . Peru . . . Uruguay . . . Venezuela . . . Cuba . . . Haiti . . . Puerto Rico . . . Dominican Republic . . . Bahamas . . . The West Indies.* OFFICES *in London . . . New York . . . Paris.*

Montreal called for

11,400 HORSES . . .

HARNESSED TO PUMP!

Working with Montreal Water Department Engineers, we installed six Worthington units, each powered by its own 1,900 horsepower motor. Together these units pump 216 million gallons of water to meet the daily needs of downtown Montreal.

In Montreal—and in Canadian communities from coast to coast—Worthington water pumps are meeting the highest standards of efficiency and dependability. From experience, many civic officials have learned that Worthington pumps combine quality performance and design with an attractive, low purchase price . . . and that the full resources of a famous, world-wide organization stand behind every installation.

See WORTHINGTON—waterworks pumping units of all types, built in Canada to meet the needs of Canadian industry! 5821

WORTHINGTON

WORTHINGTON (CANADA) 1955 LTD.

General Offices and Works: BRANTFORD • ONTARIO

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BRITISH IMPORT SERVICE

Company in England offers its new import service to Canadian exporters. Facilities include transportation from docks by 100 ton barges; storage; conveyance of goods to destination by road or own railhead; assembly of goods if necessary; documentation service; apply

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entirely air conditioned

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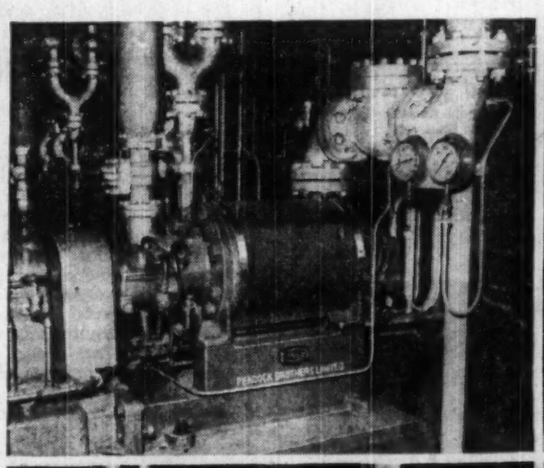
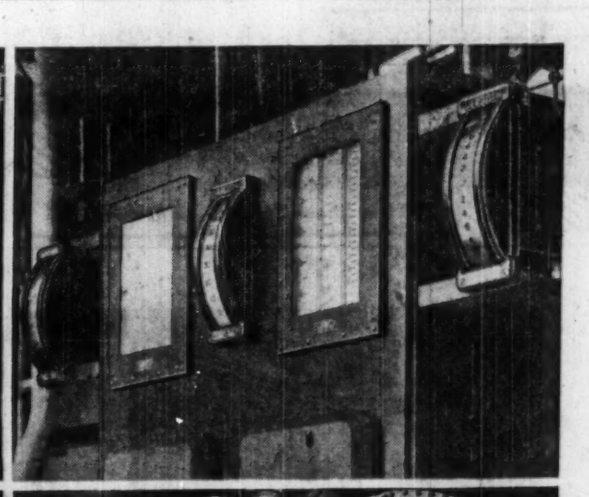
The most gorgeous suites and rooms in town . . . and so reasonably priced.

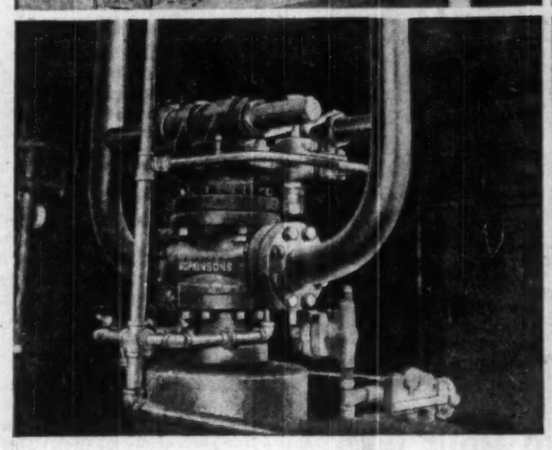
Occupancy for long or short stays. Rates from $10.50 single, $12.50 double. All rooms and suites equipped with elaborate service pantries.

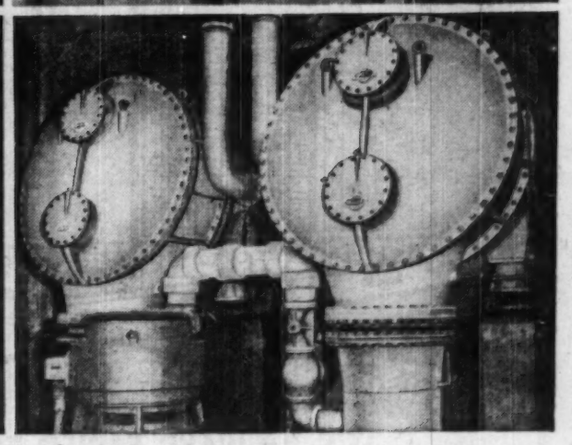
SHERBROOKE AT PEEL STREETS

MONTREAL



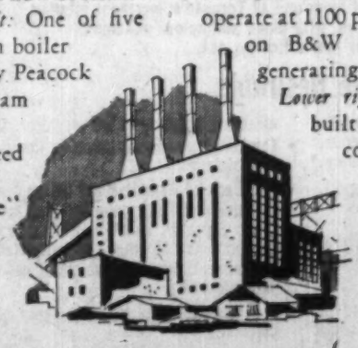






STEAM POWER AND PEACOCK

From giant provincial and privately-owned power stations down to the smallest steam plant, Peacock supplies a variety of equipment to help assure the uninterrupted flow of steam. Illustrated above are: *Top left:* One of five Weir 7-stage electrically driven boiler feed pumps, built in Canada by Peacock for an important Maritime steam power station. Each pump can deliver 150,000 lbs of boiler feed water per hour at 825 psi. *Top right:* Three Jerguson "Truscale" level gauges in a large steam plant. The two outside gauges show the level in the two boilers, while the one in the centre of the panel serves the deaerating vessel. *Lower left:* One of three 2" Hopkinson 1500 lb. torsion bar safety valves set to operate at 1100 psi. (steam at 950°F.) installed on B&W integral water tube boiler generating 30,000 lbs. steam per hour. *Lower right:* One of four Canadian-built Weir twin shell regenerative condensers, each having 28,000 sq. ft. of cooling surface, installed in one of the largest steam generating central stations in Canada.



PEACOCK BROTHERS LIMITED

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These issues having been sold, this advertisement appears as a matter of record only.

NEW ISSUES

CORONATION MORTGAGE COMPANY LTD.

(Incorporated under the laws of the Province of British Columbia)

$300,000.00
(10,000 shares)

$2.00 Cumulative Convertible Redeemable Sinking Fund Preferred Shares
(Par Value $30.00 per share)

8,000 shares
No Par Value Common Shares

We, as principals, offered these shares subject to prior sale, if, as and when issued and accepted by us and subject to the approval of Counsel.

THOMAS B. READ COMPANY LTD.

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V1637-1

ANNOUNCEMENT

NESBITT, THOMSON & CO. LTD. APPOINTMENT

JAMES B. WHITE, JR.

Nesbitt, Thomson and Company, Limited announce the appointment to their Ontario Sales force of Mr. J. B. White, Jr. Mr. White has served in various departments of the Company and will be based in Toronto.

Every pipe a Masterpiece

SUPERBLY fashioned of perfect long-seasoned briar...richly coloured to enhance the beauty of the grain . . fitted with a gleaming hand-cut vulcanite stem.

7.50 and up

LONDON MADE GBD

Famous since 1850

INVESTMENT IN PRACTICE

Common investment problems . . .

By PATHFINDER

Case No. 50:

"Over the years I've made a lot of money on the stock market. But I couldn't even guess exactly how much."

Comment:

Somebody who makes a statement and can't back it up is guilty of some infraction of the usual rules of human conduct. But when the facts are missing about one's own financial background, one is in danger of committing infractions of rules for which there are immediate steep penalties—income tax and succession duty laws.

To buy a stock, sell it, and pocket the profit tax-free is a commonplace occurrence for most Canadian investors. The need for records in such isolated instances is nominal. However, it is always wise to list separately the number of shares, name of the company, the certificate number and the transfer agent, together with dividend dates in order that should the actual certificate be lost through theft or fire a replacement could readily be obtained.

When one begins to buy or sell stock frequently, there is a greater need for accurate records. Supposing a man earning $5,000 a year spends $15,000 yearly. The income tax department will want to know where the additional money comes from and if it is truly free of income tax.

This is perhaps an unusual example, but it is only one of several reasons why investment income is challenged. What every investor must face however is the scrutiny of his affairs after his death in the course of setting succession duties. Any financial short cut — advertent or inadvertent — usually comes to light at this time.

Most investors say that recording transactions now is a lot of work. "Wait until some instance arises, or in the case of succession duties, let the executors of my estate worry about presenting a logical, complete financial picture," they say.

Unfortunately for these put-it-off-till-tomorrow investors the tax departments have a convenient way of unravelling a tangled financial background: if records are not forthcoming, they estimate the tax liability on the facts that are known. It is then up to the individual to disprove this assessment.

All that is needed for a complete set of financial records is one book of any type with pages ruled up in a simple fashion and a few minutes a week keeping it up-to-date. One suggested form is illustrated on page 66 of "How to Invest for Bigger Profits."

Comments on this and other investment problems are to be found in the 80-page book "How to Invest for Bigger Profits" by Pathfinder, available for $2 a copy from The Financial Post, 481 University Ave., Toronto 2, Canada.

NUCLEAR LEVEL GAUGE measures contents of sealed opaque containers. Can run for years without recharging, maker claims. See Nuclear Gauge.

What's New

New products, new uses, new ideas, new money-makers. We report them here and invite your contributions. Write to 481 University Ave., Toronto.

For Fire Fighting

Appearing on the market after five years of development and testing is a plastic covered, single jacket fire hose. Its principal advantages: Elimination of drying, resistance to chemicals and oils, less weight and bulk, and cannot burst through mildew, it is said.

* * *

Lasts Longer

Latest in lighting: A 400-watt mercury lamp which is said to produce 28% more light over its life span than present mercury lamps of same size and wattage. Designed for street lighting and general industrial applications.

* * *

Cuts Building Costs

A steel bridging for wood joists — approved by **Central Mortgage & Housing Corp.** — is available in 16 in. and 24 in. sizes for residential or commercial construction. Requires no tools or nails and is rust-proof.

* * *

Lose Your Specs?

For those who have to wear two sets of glasses there's a double carrying case. Made of plastic, it has a zipper at each end and a divider inside.

* * *

Nuclear Gauge

Nuclear Corp. of America, Denville, N.J., is marketing a level control gauge which measures contents of sealed opaque containers through use of nuclear beams. Gauges up to 1,000 containers per minute as they pass along conveyor belt and rejects improperly filled ones. Requires minimum servicing and has enough nuclear material to operate for years without recharging, it is stated. Sells for $3,000 in U. S.

* * *

Beats and Cleans

Of interest to homemakers is a vacuum cleaner which not only sweeps carpets but beats them to loosen dirt. Has three rows of beaters which vibrate 2,000 times per minute.

* * *

Safety Plus

A U. K. firm has developed an automatic traffic controller which "estimates" traffic conditions. It makes corresponding variations for the durations of signals given to drivers.

* * *

Infrared Lamp

Now in appliance stores: A low-priced infrared heat lamp which is expected to find a wide variety of uses. The 250 watt lamp has a life expectancy of 5,000 hours.

* * *

Your Turn

For bridge players and other card enthusiasts there's a non-mechanical shuffler. The plastic unit keeps cards in place while dealer shuffles.

* * *

Tough As Tiles

Minnesota Mining & Manufacturing Co. announces development of a resilient floor covering with a non-slip surface said to combine the appearance and comfort of carpeting with the practicality and toughness of tile. Weighs only 2½ oz. per sq. ft., is flexible enough to be bent double, and is non-sparking, non-abrasive. Also resistant to oils, chemicals, solvents and many acids.

* * *

Can Can

A U. S. company has released details of a can manufacturing operation which is said to be 50% faster than existing methods. Can bodies are made in pairs and then separated into individual cans. Firm has produced more than 750 cans per hour by this process.

* * *

New Literature

Jeffrey Manufacturing Co., Montreal, announces catalogues on all-steel belt idlers designed for grain terminal operations. Idlers are said to incorporate advantages of modern roller-bearing and all-steel fabrication to particular needs of grain conveyor systems.

Trade Policies Expected at Exporters' Meet

The Canadian Exporters' Association annual convention will be held Oct. 20-21 at the Log Chateau, Seigniory Club, Que.

Principal speaker will be Sir Saville Garner, U. K. High Commissioner to Canada.

K. C. Clarke of Montreal and J. A. Whyte of Toronto will outline the association's trade policy statements, covering Commonwealth, Canada-U. S. relations, assistance to new Commonwealth members, long-term financing facilities for export, and trade with the British West Indies and Latin America.

Some 250 exporters and federal government trade officials are expected, says F. G. Harwood, Montreal, chairman of the national convention committee.

Association President Leo E. Ryan will give his report on the opening day.

Profit Sharers Annual Meeting First in Canada

Management, labor, consumer and investor spokesmen will present their viewpoints on employee profit-sharing at the 11th annual conference of the Council of Profit Sharing Industries next week.

Over 500 representatives of firms with profit sharing plans in operation are expected to attend the Oct. 14-15 meeting in Toronto, first conference held outside the U. S. by the 1,000-member council.

Among Canadians taking part:

Harold V. Lush, president of **Supreme Aluminum Industries,** will speak at the conference opening. Mr. Lush is conference chairman.

Eamon Park, United Steelworkers of America official, will present organized labor's case before the profit sharers and Frederick G. Gardiner, Metro Toronto chairman, is to discuss the question from the standpoint of the shareholders.

Serving Investors Since 1916

One of our special services is the analyzing of investment portfolios. Our Statistical Department will, without obligation, classify your securities for you, figure your present investment worth and your yearly income.

Upon request, our Research Department will supply information about any securities you may own or may be thinking of buying.

Inquiries invited.

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New Issue

$300,000

St. Lawrence Gas Corporation
(Incorporated under the laws of the Province of Quebec)

6% Serial First Mortgage Bonds

Dated August 15, 1958

To mature August 15, 1959 to 1970 inclusively, $25,000. each year.

Principal and half-yearly interest (February 15 and August 15) and redemption premium, if any, payable in lawful money of Canada at any branch in the Province of Quebec of the Company's bankers. Coupon Bonds in denominations of $500 and $1,000 registrable as to principal only.

Trustee: GENERAL TRUST OF CANADA

In the opinion of counsel, these Bonds will be investments in which the Canadian and British Insurance Companies Act states that compagnies registered under Part III thereof may, without availing themselves for that purpose of the provisions of sub-section (4) of Section 63 of said Act, invest their funds.

We, as principals, offer the 6% Serial First Mortgage Bonds subject to prior sale and change in price.

PRICE: 100 and accrued interest

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IT'S 3-WAYS EASIER TO MOVE INTO TORONTO'S KEY-LOCATION OFFICE BUILDING—

- We save you time and inconvenience by arranging all details and estimates of your moving with a leading Toronto mover.
- We provide the services of professional office planners without cost to you.
- Also without cost, we provide personal decorator counsel from one of Toronto's foremost interior designers, with plans and colour schemes for your new office lay-out.

—And Every Way More Desirable

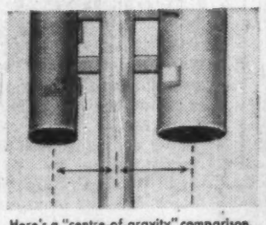
- "88/100" is key-located in the business heart of Toronto—on University Avenue, Canada's finest boulevard thoroughfare.
- Completely modern in every respect. Fully air-conditioned.
- Two banks right on the premises.
- Two-level parking and restaurant in the building.
- Key-located to the Union Station and Air Line Depots. The new Subway Extension will bring a station to the very door.
- Toronto's two largest hotels in immediate vicinity.
- The Bank of Canada Head Office, the Parliament Buildings, the City Hall and Civic Square, the United States Consulate and 15 other key Industrial, Insurance, Utility and Club buildings in close proximity.
- A prestige address in every sense of the word.

* We move our offices to the above address on October 15th. In the meantime:

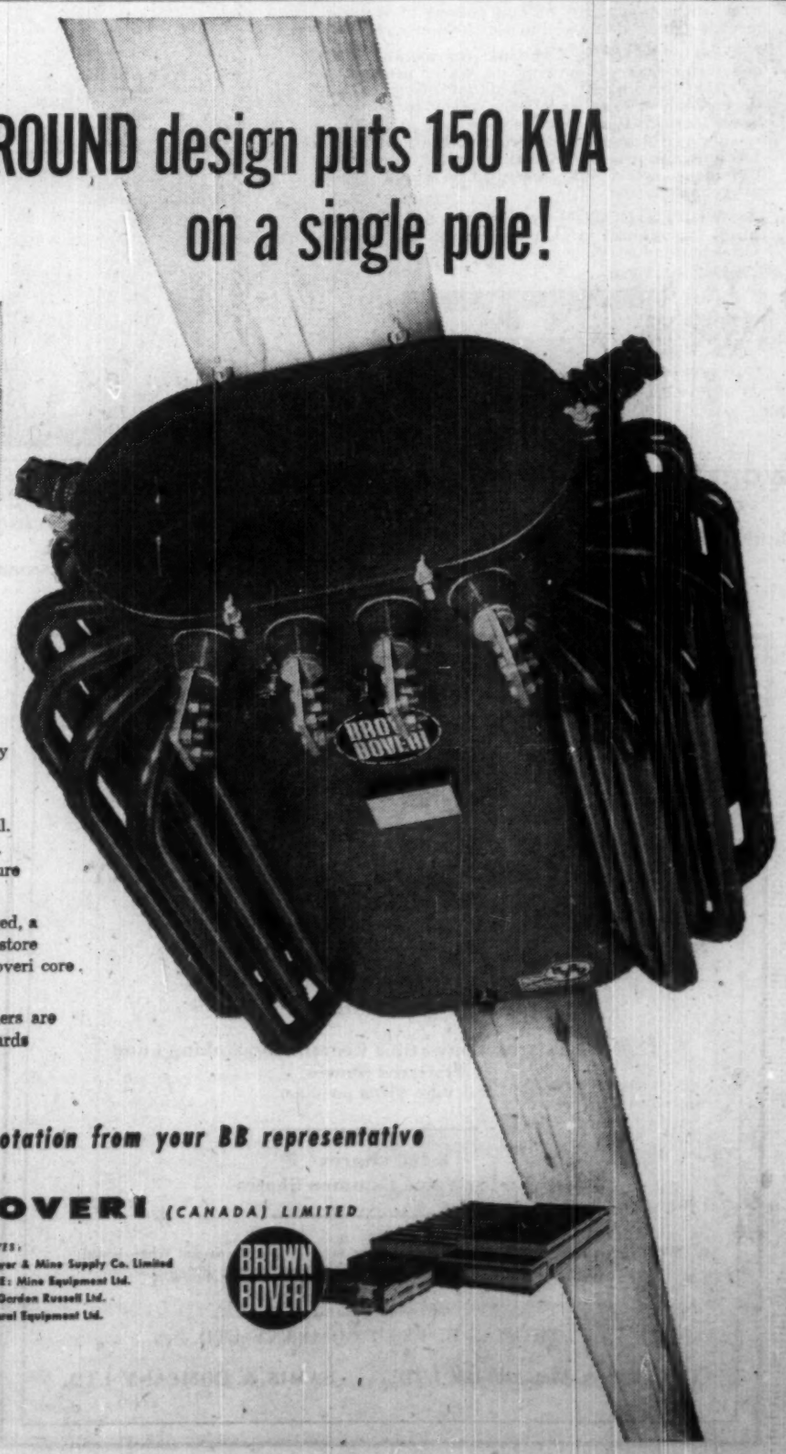
GIBSON BROS. LIMITED
Exclusive Agents
357 Bay Street, Toronto • EMpire 2-1911

BB 99

OBROUND design puts 150 KVA on a single pole!



Here's a "centre-of-gravity" comparison. BB-99 Obround design reduces pole bending strain up to 15% — even when you mount 150 KVA on a single pole.



This Brown Boveri BB-99 150 KVA Distribution Transformer is mounted on a single pole. The close centre of gravity reduces the bending strain.

Brown Boveri BB-99 Obround design takes less transformer oil. So it's lighter, easier to handle. There's no tandem-pole structure costs. No platform needed.

If your transformer gets damaged, a BB-99 replacement unit will restore service immediately. Brown Boveri core and coil units fit any tank.

BB-99 Distribution Transformers are guaranteed to meet CSA standards under all Canadian conditions.

Get details and a quotation from your BB representative

BROWN BOVERI (CANADA) LIMITED

MONTREAL
TORONTO
WINNIPEG
CALGARY
EDMONTON

REPRESENTATIVES:
WINNIPEG: Power & Mine Supply Co. Limited
KIRKLAND LAKE: Mine Equipment Ltd.
VANCOUVER: Gordon Russell Ltd.
HALIFAX: General Equipment Ltd.

BROWN BOVERI

99-3-3M

ANNOUNCEMENT

LLOYD J. KNOWLER

Osler, Hammond and Nanton Limited announces the recent appointment of Mr. Lloyd J. Knowler as manager of the firm's new Investment Securities Department in Edmonton.

Mr. Knowler, a native of Edmonton and a graduate of the University of Alberta, has been associated with Osler, Hammond and Nanton Limited since June 1952. Prior to this appointment, Mr. Knowler was an account executive in the firm's Calgary office.

Consult:

COOPER APPRAISALS LIMITED

Appraisers of
BUILDINGS
MACHINERY
EQUIPMENT

696 Yonge Street
TORONTO, ONTARIO
Telephone WA 4-8761

Years of Experience from Coast to Coast

YOU AND THE LAW

If you were the judge, how would you have decided this real Canadian court case?

On the Blue Ice

When Louise arrived at the civic arena for an ice review she found her seats were in the second row of a raised platform on the ice.

There was no aisle to her seat along the platform so she stepped off onto what appeared to be a blue surface. It was colored ice. Louise slipped and suffered severe injuries.

She sued the arena: "I was a paying spectator. You had a duty to take reasonable care to protect me from dangers of which you knew or should have known."

The arena replied: "You were careless—the author of your own misfortune. Ice is not an unusual danger. Everyone knows it is slippery and you should have known the blue strip was ice."

Would you grant damages to Louise?

The court found that since the arena provided no access to the claimant's seat along the platform she was forced to walk on the ice.

Due to the lighting effects and the coloring of the ice it appeared as a different surface such that Louise would be unaware of the danger. The arena had a duty to warn of this danger which it failed to do. It was held liable in damages.

Based on a decision of the Supreme Court of Ontario.

By H. T. G. Andrews

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FOR JUST $2.50 DOWN YOU CAN BUY A Canada Savings Bond... at "MY BANK"
TO 2 MILLION CANADIANS

B of M

DOWN PAYMENT OF 5% – $2.50 FOR A $50 BOND, $5 FOR A $100 BOND, etc.
BALANCE IN EASY INSTALMENTS OVER A YEAR

YOU CAN BUY YOUR BONDS – for cash or by instalments – at your neighbourhood B of M branch

BANK OF MONTREAL
Canada's First Bank

WORKING WITH CANADIANS IN EVERY WALK OF LIFE SINCE 1817

B173

Growth

Manufacturing plants new to Canada, expansions of existing industry across the nation.

New electrical firm

Dupar (Canada) Ltd., a new Canadian subsidiary of **Dominion Electrohome Industries Ltd.** and **Dewhurst & Partner**, of England, will engineer, manufacture and distribute electrical controls for elevators and cranes, electro-magnetic brakes and industrial electrical control gear.

Major expansion

Jacuzzi Universal (Canada) Ltd., Toronto, plans a $150,000 expansion of its plant which will increase total floor area to over 31,000 sq. ft.

The firm makes various types of pumps and water systems for industry and filter systems for swimming pools.

Future plans include manufacture of a portable whirlpool bath for treatment of muscular ailments.

Concrete products

Fonstone Products (Canada) Ltd., has acquired 13,000 sq. ft. of floor space at 62 Osler St., Toronto, to manufacture a number of new products for the building trade and for general concrete maintenance. The new firm manufactures a line of paints for concrete masonry, terrazzo type flooring mix, a polished tile resembling terrazzo, and wall tile.

Also made by the new firm are a special capping and patching material for broken sidewalks and a quick-setting patching material for the repair of curbs, without forms or barricades.

New parts plant

Miracle Products Co., Toronto, will erect a single-story plant containing approximately 60,000 sq. ft. This doubles capacity of the previous plant.

The firm distributes automotive exhaust systems. Completion of the plant is expected by end of year.

Hydraulic jacks

Hein-Werner of Canada Ltd., newly formed subsidiary of **Hein-Werner Corp.**, Waukesha, Wis., will occupy a 12,000 sq. ft. building on Fairall St., Ajax, Ont.

The firm will manufacture hydraulic jacks of 1½- to 100-ton lifting capacity and attachments used by automotive repair shops for body alignment and for straightening frames, fenders and rear axles.

Coal tar coatings

Tapecoat Co. of Canada, new Canadian subsidiary of **Tapecoat Co.**, Evanston, Ill., has leased a new 5,000 sq. ft. plant at 25 Haas Rd., Rexdale area of Toronto, and will make protective coal tar coating in tape form for gas, oil and industrial companies.

District sales office and warehousing facilities will also probably be set up in western Canada and Quebec.

The plant will go into production in November.

Centrifugal pumps

Byron Jackson of Canada, Toronto, is constructing an addition of 7,100 sq. ft. to its plant in Scarborough, Ont. The firm makes centrifugal pumps for industry, oil refineries, power and steam plants and pipe lines.

When the addition is completed at the end of the year, new pumps not made here before will be added to the company's line.

New industrial site

Hill-Clark-Francis Ltd., New Liskeard, Ont., has taken options on 2,000 acres of land in Bath, Ont. This is the first step in a development program intended to establish a model residential and industrial centre on the St. Lawrence Seaway.

Construction of 100 houses will begin within two months by the firm's subsidiary, **Halliday Co.**, Burlington, Ont.

A 12-acre site has been set aside for a new high school.

Bath is located on the Bay of Quinte, 15 miles west of Kingston.

Pipe firms merge

Hadley-Moulthrop Engineering Co., Chatham, Ont., has merged with **Niagara Concrete Pipe Ltd.**, St. Catharines, Ont. Additional properties have been acquired in Chatham to provide enlarged facilities for the manufacture of concrete drainage pipe and other specialized precast concrete building products. Entry into the prestressed concrete structurals field is contemplated in the near future.

A supplier of concrete drainage pipe and other concrete products, Niagara Concrete Pipe is presently building another plant.

One of a series of TILDEN TIPS

when you need a car as private and convenient as your own, use a

TILDEN rent-a-car

THE ALL-CANADIAN SYSTEM WITH AGENTS THROUGHOUT THE WORLD
Head Office: 1194 Stanley Street, Montreal

We'd like to confess on our Bishop

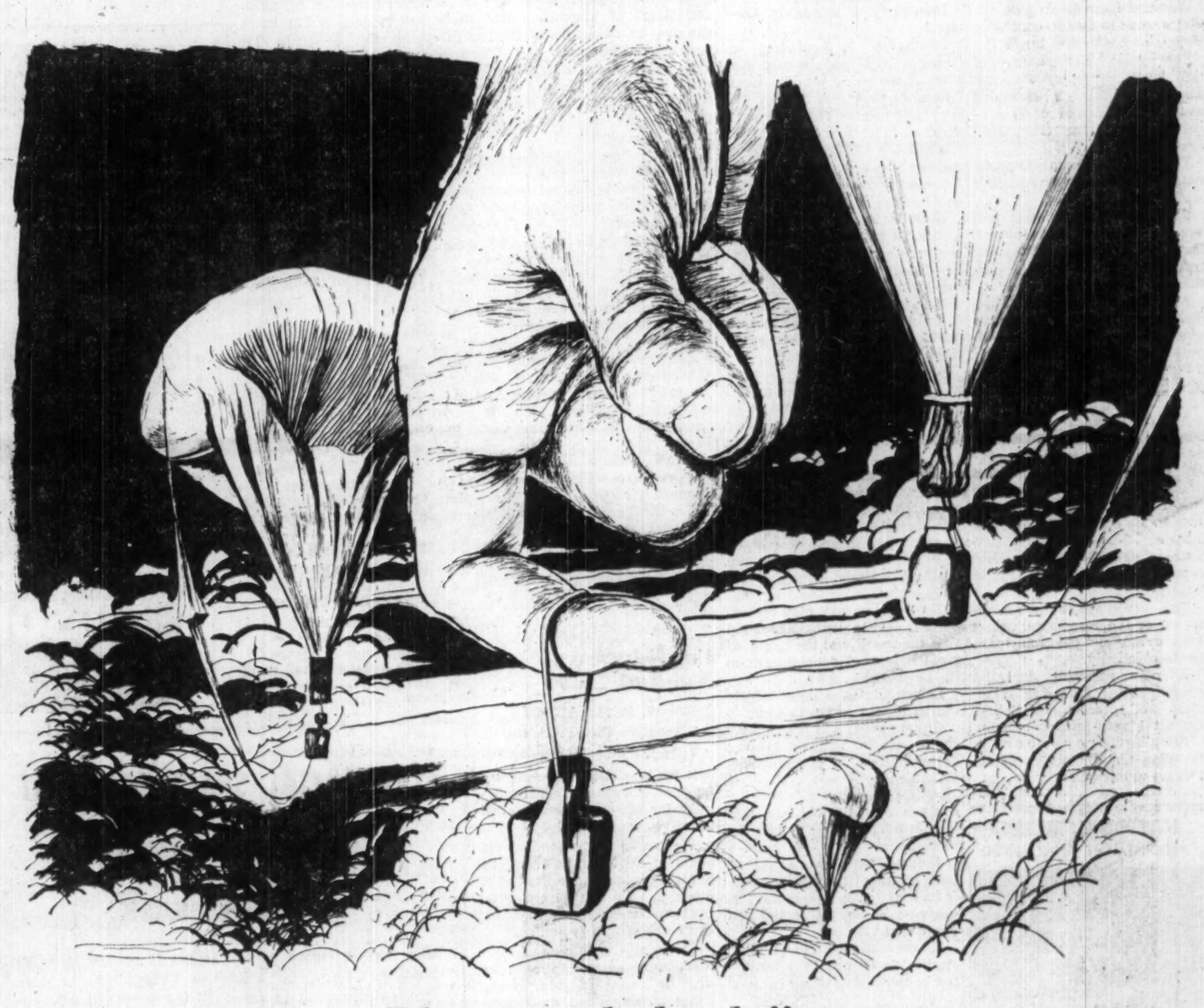
Our IBS French market analyst is a studious young bishop named ron. He's the man who decides our radio station actual coverage areas—tells our salesmen which products will or won't sell in any market—has the answers to most of your marketing problems in French Canada.

Recently, in a rare interview, ron stated "Gravelbourg isn't worth a damn in Rimouski, but it reaches a group of French-speaking people who are so loyal that they paid to build the Gravelbourg radio station."

May we put ron to work on your French marketing problem?

IBS INTERPROVINCIAL BROADCAST SALES LTD.

Toronto: Ken Davis, Gen. Mgr., 199 Bay Street, EM. 4-1197
Montreal: Lionel Morin, Mgr., 1411 Stanley Street, VI. 9-5221



Plastic "skyhooks"

Amazing polyethylene is helping science explore the upper air while doing a down-to-earth job of improving the things you use

Huge, pear-shaped balloons of light, strong polyethylene plastic now carry sensitive instruments 20 miles up into the stratosphere. There they are probing the secrets of weather and adding to our knowledge of cosmic rays — the mysterious particles of energy that shower down upon us.

"SQUEEZE" BOTTLES, TOO — These "skyhooks" are one of many interesting applications of polyethylene. Most of us have already met this versatile plastic in the form of "squeeze" bottles for cosmetics, unbreakable containers for medicine, protective wrappings for fresh and frozen foods, clothing, and insulation for radio and TV wire.

THE MAKING OF POLYETHYLENE is as spectacular as its uses. A tremendous and continuing pressure equal to the explosive force within the largest anti-aircraft guns changes light ethylene gas into tough polyethylene plastic.

MILLIONS OF POUNDS — The people of Union Carbide, applying their years of experience in chemistry, plastics, and the uses of high pressures, now turn out millions of pounds of polyethylene each year —an important part of Canada's total production. Yet the need is so great that constant expansion of production facilities will boost UCC's output and help fill the ever increasing demands.

FREE: *Learn how* ALLOYS, CARBON PRODUCTS, CHEMICALS, GASES *and* PLASTICS *improve many things that you use.*

Write for 'Man-Made Miracles' booklet L-58.

Union Carbide Canada Limited, 2221 Yonge Street, Toronto 7, Canada.

UNION CARBIDE
TRADE MARK

Divisions of Union Carbide Canada Limited are: BAKELITE COMPANY — *Plastics and Silicones;* CARBIDE CHEMICALS COMPANY — *Chemicals;* ELECTRO METALLURGICAL COMPANY — *Ferro-alloys, Electrodes, and Carbon Products;* HAYNES ALLOYS COMPANY — *Heat, Corrosion, and Wear-resistant Alloys;* LINDE AIR PRODUCTS COMPANY — *Industrial Gases, Welding and Cutting Apparatus;* NATIONAL CARBON COMPANY — *Consumer Products;* VISKING COMPANY — *Food Casings, and Plastic Film.*

Industrial Development Conference

How to Help Industry Grow And Avoid Bust after Boom

Problems facing Canadian industry today and the steps which must be taken to enable industry to grow were discussed by leading civic, government, and industry leaders last week at the Ontario Industrial Development Conference in Toronto.

Essence of the talks:

There should be a system of taxation which encourages rather than inhibits capital investment by manufacturing.

Canadian industry must learn to manufacture many products and components now imported.

Continued expansion of secondary manufacturing is vital to the future of Canada.

Here is how some of Canada's leaders see problems facing industry today as summed up by The Financial Post.

Can We Avoid Booms, Busts?

By WALTER GORDON
J. D. Woods & Gordon Ltd.

We must learn to arrange our affairs so as to avoid succeeding periods of booms and busts.

The goal: maintenance of high level of employment and job opportunities, of reasonable levels of welfare and social services; at the same time, hold down inflation.

This will be the major problem of the federal government's future domestic policy.

The federal government will have to integrate its monetary, fiscal, tax and debt policies and make them more flexible than they are at present.

A system for co-ordinating the spending policies of all three levels of government should be worked out.

Public expenditures should be kept down in boom periods, expanded during recessions.

A board of economic advisers could be established in Ottawa, with access to all available statistical information, which would advise the government of measures and policies necessary to maintain employment without inflation.

There should be a complete overhaul of municipal law in Ontario.

This would include re-examination of the responsibilities of the province and the municipalities respectively.

A new financial deal for municipalities including a revision of present restrictions against longer-term borrowing.

Simplified procedures by bringing about mergers of adjoining municipalities.

Must Control Cities' Sprawl

By Dr. E. G. PLEVA,
University of Western Ontario

Development trends in Ontario:

Population is exploding in Ontario and people demand more space per capita. In their ignorance, they may destroy the very soil needed for their survival.

Southern Ontario, with new sources of energy, is being freed from the tyranny of power costs as a location factor.

Rush to the suburbs will increase. Uncontrolled sprawl is our most serious planning problem today. Highways and parking space will lag behind.

Big spurt in population sprawl in Ontario will be in the middle sixties when the baby boom crowd starts building.

A network of major highways will connect scattered economic areas. Big danger is that strip "cities" may develop along traffic arteries, destroying their function.

Transportation will be speeded up with a greater division of labor. Airlines will have their role, railways won't be forced to carry passengers; new highways will let a car cross the continent without hitting a traffic light.

The Seaway will play an important part in development but it is the result, not the cause, of great industrial development in the Great Lakes area.

Lake Ontario will be largely the terminal lake for Canada.

Governments will take a more active role in bringing about a better pattern of economic development.

A final warning:

Much of Ontario's best land is in the shadow of urban development.

Industry itself does not eat up land in quantity but each new industrial acre generates 22 other acres in residential and other uses.

Recommendation: More studies to ensure best possible use is made of agricultural land.

Cities Can Help Industry

By
Mayor MICHAEL J. PATRICK,
Windsor, Ont.

It's up to the community to create the atmosphere where industry is defended and respected. It's also up to the community to have adequate housing, hospital, educational, recreational and cultural facilities.

There must be adequate connecting transportation facilities so that industry isn't burdened with excess transportation costs on its raw materials and finished goods.

There should be a good community development committee. It must encourage existing industries and develop and broaden the community economic base by having a diversification of industry.

An effective land-use zoning pattern for the area is important so that residential areas aren't placed in areas suitable to industrial development and vice versa.

There should be an organized effort to improve labor-management relations and promote better understanding.

We Can Make Many Imports

By J. HERBERT SMITH,
President, Canadian General Electric Co.

Canadian industry must take the risk of manufacturing many products and components now imported. It must also encourage purchasers to buy "made in Canada" products.

Municipalities could encourage existing industries to expand scope of production and take over manufacture of many imported components.

In 1956, Canada imported $4.4 billion worth of fully manufactured goods and components—largest per capita import total of any country.

If we were to manufacture half of that value of goods here, it would provide direct industrial employment for over 125,000 Canadians.

If local manufacturers were encouraged to produce more and import less, if they were encouraged to look to suppliers in other Canadian communities rather than beyond our borders, the benefits would come back to every Canadian community.

On attracting industry:

A good business climate is the most important thing which any community can offer an employer. Industry looks for the community where the local officials recognize its importance to economic growth.

It will locate in communities where it can expect understanding, respect and fair treatment and where the laws will be enforced impartially and effectively for management and labor alike.

Confidence Needed Now

By W. R. McLACHLAN,
Executive Vice-President,
A. V. Roe Canada Ltd.

If we persist in following the unsound doctrine of greater reward for less effort, we'll defeat ourselves economically.

We are already feeling the effect of Soviet trade tactics in our aluminum and asbestos industries. We can expect other economic weapons as their industrial strength grows.

Secondary manufacturing is already three times as important and, in terms of jobs, nearly twice as important as agriculture.

Our economic progress in the past two decades stems from this growth in secondary manufacturing and, if this is to be maintained, there must be still greater emphasis on manufacturing and processing. This is where the great opportunities lie.

To be a great industrial nation, Canada, and especially Canadian industry, must show more original thinking and interest in basic research. Our population is one-tenth that of the U. S., but our expenditures for research are only one hundredth — $100 million against $10 billion.

In many areas, Canadian intelligence, ingenuity and initiative can come up with a better product for Canadian purposes at competitive prices with the rest of the world.

But to achieve this, we must:

—Stop venerating American and European know-how simply because they've been at it longer.

—Develop confidence in ourselves and apply our own creativeness to our own problems.

—Face up to the fact that, although this may be expensive, it's vital to achieve the great future we have confidently come to expect.

—The answer lies in continued expansion of secondary manufacturing and the opportunities are almost limitless.

We have to maintain an adequate supply of trained people of all kinds, if we are going to be able to compete at all in this age of science.

We must provide these people with profitable and challenging opportunities if we're to keep them in Canada. But this will never happen if we keep on borrowing ideas and original thinking from other countries.

A national flag will never change our "little brother" role. Only a change in attitude can do that.

Must Process More Products

By JOHN H. ENGLISH,
Deputy Minister, Trade and Commerce

We are on the threshold of a new phase in economic development.

Possession of energy sources within our own borders provides us with the basis for a steady and sustained industrial growth in the future.

Canada will likely continue to be a major exporter of foodstuffs and materials but there will be plenty of scope for further processing of these products of our resource industries before export.

Canada will be able to sustain a more rapid rate of population growth than most other industrial countries. Together with rising living standards, this will make it possible for us to manufacture many items here which are now imported because demand for them is small.

Many new products have been added to the output of our manufacturing industries in recent years in this way.

Foreign firms which export to Canada are often not fully aware of the advantages of manufacturing their products in this country. More information might bring in new industry.

At the moment, the department of trade and commerce is working out ways and means of co-operating in this effort to replace imports with domestic production where possible.

Immigration Is Big Need

By STUART ARMOUR,
Economic Adviser, Steel Co. of Canada

Neither governmental policy nor public attitudes are as favorable as they should be if heavy and secondary industry is to grow.

Neither immigration nor tariff and policies meet the peculiar needs of manufacturing in a big thinly-populated country. Our greatest problem — lack of people.

We allow our labor policies to be dictated from the U. S. It's time we tackled our problems from a strictly Canadian viewpoint.

In our attempts to maintain full employment, we've saddled Canadians and business with a tax system that threatens the very continuance of free enterprise in Canada.

Manufacturing is now our most important industry. If the government won't recognize this, if unnecessary competition from outside is encouraged, Canada will have a languishing manufacturing industy which eventually means a stagnating, not a dynamic Canada.

Growth of manufacturing requires three things of government:

—A steady high volume of immigrants to build up an adequate domestic market as fast as possible.

—A system of taxation which encourages rather than inhibits capital investment by manufacturing.

—A realistic tariff policy geared to the needs of the unique Canadian economy.

ANNOUNCEMENT

NATIONAL BUILDER
APPOINTMENT ANNOUNCED

J. L. WRIGHT

J. R. Johnson, Manager, National Builder, the Maclean-Hunter publication serving the light construction industry across Canada, announces the appointment of Mr. J. L. Wright to the advertising sales staff. Mr. Wright was formerly managing editor of Lumber and Building Materials Merchandising. His market knowledge together with his experience in editorial and advertising work will be of particular value to advertisers to the building industry.

REAL ESTATE | directory

Ontario

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New elevators
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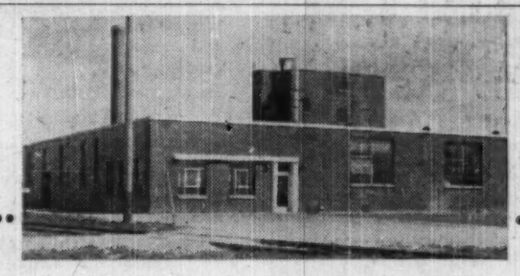

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Will construct space to suit Tenant in conjunction with Shopping Centre to be erected in Spring, 1959, to serve the area adjacent to the site of the new South Saskatchewan River Dam project.
Full information immediately to interested parties. Applications for lease will be received until Nov. 15th, 1958.
ADDRESS: Outlook Land Development Ltd.
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$9.80 per col. inch per insertion (70 cents per agate line, 14 lines constitute one inch). Closing date — Copy must be in Toronto Office by Monday a.m. Display advertising in this section payable in advance.

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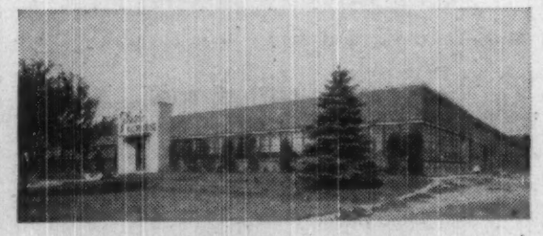

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R. A. RABY — Secy-Treasurer — Clifford 1-5235

LISTS 475 WINDSOR AREA INDUSTRIES

This is the most complete and up-to-date Directory of Windsor Industry we have ever produced.
It contains a listing of all Windsor area firms, their addresses, phone numbers, operating and purchasing officials, as well as the approximate number of employees. Products manufactured or services offered are listed for each firm, as well as cross-indexed in a separate section.
Other interesting facts about Windsor are shown, such as: census figures; chief industries, their earnings and factory shipments; capital expenditures; housing; employment; income groups; building permits and other useful information for sales and market research departments.
Be sure to send for your copy now, as we have a limited supply. The price is $2.00 per copy.

GREATER WINDSOR INDUSTRIAL COMMISSION
Windsor, Ontario

Saskatchewan Minister Heads Cdn. Good Roads Association

MONTREAL (Staff) — Highways Minister J. T. Douglas of Saskatchewan was elected president of Canadian Good Roads Association at its annual convention in Montreal.

Douglas served a previous term in 1950-51 when CGRA, formed in 1914, was reorganized to permit wider activities and increased participation by industry.

Other officers:

Vice-presidents:

Hon. F. M. Cases, Ontario Minister of Highways.

Hon. G. I. Smith, Nova Scotia Minister of Highways.

Hon. Errick Willis, Manitoba Minister of Public Works.

Hon. J. George MacKay, Prince Edward Island Minister of Highways.

Hon. G. J. Power, Newfoundland Minister of Highways, all vice-presidents.

T. J. Mahony, managing director, Ontario Good Roads Association, honorary secretary.

Maj.-Gen. R. H. Keefler, vice-president, **Bell Telephone Co. of Canada,** honorary treasurer.

C. W. Gilchrist, managing director; R. A. Draper, assistant managing director.

Directors:

Norman H. Bell, president, **White Motor Co. of Canada.**

Hon. J. S. Brooks, New Brunswick Minister of Public Works.

A. W. Clark, vice-president, **W. C. Wells Construction Co.**

W. B. Flora, vice-president, **B. F. Goodrich Canada Ltd.**

Hon. P. A. Gaglardi, B. C. Minister of Highways.

A. C. Knight, vice-president marketing and refining, **Canadian Husky Oil Co.**

J. B. Lavigueur, general manager, **Sicard Inc.**

Frank N. McCallum, vice-president, **Prairie Automobile Transport Co.**

A. R. Morrison, Canadian Automobile Association.

C. F. Morrison, department of civic engineering, University of Toronto.

D. O. Robinson, chief engineer, **Canada Cement Co.**

J. H. L. Ross, vice-president and director of sales, **Industrial Acceptance Corp.**

Rhys M. Sale, president, **Ford Motor Co. of Canada.**

Lloyd E. Sawyer, publisher, Engineering and Contract Record.

R. B. Somerville, president, **Ontario Equipment & Supply Ltd.**

Hon. Antonio Talbot, Quebec Minister of Roads.

Hon. Gordon Taylor, Alberta Minister of Highways.

R. H. Whiteside, manager, industrial engineer division, **Rolls-Royce of Canada Ltd.**

J. T. DOUGLAS

CLASSIFIED ADVERTISEMENTS

Agencies Wanted

MATURE, experienced, financially responsible, and reliable salesman, with wide knowledge of wholesale, and retail trade in Sask., invites enquiries from manufacturers in the Hardware, Sporting Goods, Drug, and relative lines. T. F. Ryan, 1362 - 94th, North Battleford, Sask.

Positions Wanted

CHARTERED ACCOUNTANT available — varied experience including insurance and municipal, graduate of commerce and finance. Toronto area preferred. Box 311, The Financial Post, Toronto.

OPPORTUNITIES

FOR SALE

Wholesaler of automotive supplies, industrial hardware, welding supplies and equipment, hardwood lumber, etc., located in the Prairie Provinces of Canada doing a volume of approximately six million dollars with earnings in excess of $150,000. Enquiries from principals only. Write to Nathan Starr, C.A., 498A Eglinton Avenue West, Toronto 12, Ontario.

LOSS CARRY-FORWARD COMPANY

Interested purchase shares of corporation with loss carry-forward in real estate, subdivisions or building. Books must be able to pass strict audit. Send details and asking price.

BOX 414, THE FINANCIAL POST, TORONTO

INVESTMENT

Share interest available in expanding new Alberta industry, serving agriculture, construction and utility Companies. This is an unusual opportunity. For further particulars, apply

Box 380, The Financial Post, Toronto

CAPITAL REQUIRED

$25,000 to $75,000 for expansion of recently established company owning sole rights to exclusive patented products. Proved and accepted by most prominent industries and having assured market potential. Prefer aggressive participant with experience in chemical or mechanical engineering or engineering-sales. All replies treated in confidence.

Box 376, The Financial Post, Toronto

Manufacturers' Representatives

wanted for Eastern, Central and Western Canada. Old established American Manufacturing Company with National distribution through Manufacturers' Representatives desirous of entering Canadian Market.

Following in one of the ensuing categories most desirable—sanitary supply, janitor supply, restaurant and equipment supply or paper supply.

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BOX 366, THE FINANCIAL POST, TORONTO

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Inquiries are invited from substantial or National Companies desirous of having office and warehouse buildings constructed or those wishing to sell these properties for cash and re-leasing back. Special consideration given to financing large shopping centres, factory expansion, industrial developments, also corporation financing. Minimum loans $1,000,000 (One Million Dollars). Competitive interest rates. Period of repayment 10 to 25 years.

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BOX 390, THE FINANCIAL POST, TORONTO

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A light manufacturing and/or distributing business located in Toronto area. Two men widely experienced in management and sales are prepared to buy controlling interest for cash or term payments. Price range $50,000.00 to $150,000.00. This advertisement is directed particularly to business owners wishing to retire.

Reply with particulars to

BOX 413, THE FINANCIAL POST, TORONTO

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Solve your tax problem. $1,000,000 or more cash to invest in shares of company with taxable surplus. Immediate action on all inquiries.

BOX 411, THE FINANCIAL POST, TORONTO.

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Quantity Surveyors required for one or three year engagements in professional offices. Give full particulars of education, qualifications and experience. All replies confidential.

HALL AND ASSOCIATES

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Background in Business Administration, Management and Sales Policies with a Law degree from Oxford interested in a position with a Toronto firm offering an opportunity to utilize the above training.

Box 403, The Financial Post, Toronto

PUBLIC RELATIONS MANAGER *Available*

Responsible executive, outstanding record in all facets of corporate public relations including advising top management, wants to relocate with solid company, Montreal or Toronto.

BOX 398, THE FINANCIAL POST, TORONTO

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ACCOUNTANT BOOKKEEPER

For medium size office of a live growing manufacturing company. If you can qualify, this position will lead to office manager. Salary commensurate with experience and background. Apply in own handwriting, giving age, general information and availability to:

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MANUFACTURING ENGINEER

Graduate. 20 years in metal processing, reinforced plastics. Experienced in engineering, production development, laboratory operations, manufacturing, quality control, equipment, lay-out, tooling.

Chemical and metallurgical background. Desires to relocate.

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C.P.A. with eighteen years' broad experience in the public accounting and management consulting fields as staff employee and Manager with an international firm of public accountants both in the United States and Canada, seeks top level administrative position.

Experience includes the design and installation of various types of financial and administrative controls and factory reporting routines in a wide variety of assignments, including commercial, industrial, construction, textiles, pulp and paper, municipal, and professional organizations.

BOX 396, THE FINANCIAL POST, TORONTO

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Resumes are requested from managerial calibre men who are seeking to relocate to their advantage. We are a professional organization and will treat all information with discretion.

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Young Canadian advertising executive offers solid background with unusually complete and thorough experience in both Canada and the United States. University graduate. Active in community. Proven record (advertising and sales promotion manager, sales promotion manager, etc. with leading Corporation) and ability will provide immediate aggressive, decisive, and mature merchandising leadership with definite future growth potential. Resume available. All replies held in strictest confidence.

Box 389, The Financial Post, Toronto

PRINTING AND LITHOGRAPHING SALES MANAGER

Here is an excellent opportunity.

The man we require is now a successful sales manager or salesman in the Graphic Arts field. His responsibilities will be the direction and training of a medium sized sales force and also personal sales contact.

He will receive an excellent salary with bonus arrangement.

Our salesmen have been advised of this advertisement.

For an interview, in the strictest confidence, please write.

Box 410, The Financial Post, Toronto.

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SALES REPRESENTATIVES

* * *

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* * *

Experienced in creative printing sales in the Toronto area. Should be presently in this field and earning not less than $9-10,000. Our client is one of the top printing houses. Suitable remuneration arranged. Refer to file #614

* * *

Several Technical Sales Representatives required who are experienced in calling on architects, engineers and industry. Three with specific experience are listed:

1. Building products or electrical lines. First years earnings on established business $10-15,000. Excellent draw arranged. Refer to file #616
2. Air conditioning or allied products—base salary plus commission expenses. Refer to file #611
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* * *

Mail resume in confidence, giving details of experience, education, age, salary range, etc. All fees paid by employer-clients.

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11 years experience—responsible for production, toolroom, press room, special tools and machines, quality control, production and inventory control, building maintenance. Very cost conscious—used to piece work systems. 15 years experience precision tool & die maker. Excellent health. Good record.

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HUdson 1-6301

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University-trained, bilingual, married, potential executive with 4 years large company experience in employment and safety seeks position offering challenge and responsibility.

Box 395, The Financial Post, Toronto

CHARTERED ACCOUNTANT AVAILABLE

University graduate in Commerce. Managerial experience, late twenties, experienced in diversified fields of accounting, auditing and taxation, seeks position of responsibility with promotional prospects where initiative will be recognized.

Box 401, The Financial Post, Toronto.

CIVIL ENGINEER

Required by large manufacturer of construction products in Southern Ontario. Must be experienced in structural design and field construction of commercial and industrial buildings. This position offers an excellent future for a person with the right qualifications. Reply giving complete résumé of education — experience — age — description of last two places of employment — salary requested — include recent photograph.

BOX 404, THE FINANCIAL POST, TORONTO.

J. B. FRASER

EXECUTIVE PLACEMENT CONSULTANTS LIMITED

Established 1936

321 BLOOR ST. EAST • TORONTO

455 CRAIG ST. WEST, MONTREAL, P.Q.

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For an aggressive knowledgeable man to head a department in a leading investment house to sell Mutual Funds. All replies confidential.

Reply, stating qualifications and experience to

BOX 393, THE FINANCIAL POST, TORONTO

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Medium sized Printing and Lithographing Company requires the services of a Commercial Artist to create sales stimulating ideas and to follow through with complete design, layout and production.

Salary based on previous experience, but without limitations for the right man.

Box 409, The Financial Post, Toronto.

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The man we want has already acquired a broad knowledge of Canadian securities and has proven his ability as an analyst of values. He has market sense and is able to write his opinions fluently and convincingly. No doubt, therefore, he is earning a good salary in his present position but he must be ambitious enough to want to investigate an unusual opportunity for growth with an international stock brokerage firm. Our employees have been informed of this advertisement.

Box 391, The Financial Post, Toronto

Required by Cossor (Canada) Limited, for their Service & Installations Division

A MANAGER

The Service & Installations Division is primarily concerned with the repair, overhaul, evaluation, modification and installation of electronic and electro-mechanical equipment for the Armed Forces.

Candidates must possess the following qualifications:—

(1) An understanding and appreciation of electronics as applied to seaborne, airborne and ground defensive and offensive weapons.
(2) Previous managerial or executive experience.
(3) The ability to establish and maintain close liaison with relevant Government engineering and procurement departments and design authorities in the Armed Forces.
(4) Possess an Engineering Degree or its equivalent.
(5) The ability to lead an engineering staff, maintain top quality engineering standards, discuss and provide answers relating to engineering problems raised by first class engineers both within the framework of the Company and in the Armed Services.

The position is one in which there is scope for expansion and development. Remuneration in accordance with demonstrated suitability.

Replies will be treated in strict confidence and should be addressed to:—

The General Manager,
Cossor (Canada) Limited,
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MAN OR WOMAN. SALARY OPEN.

Degree in Social Sciences. Psychological background helpful. To conduct group interviews for large Market Research Department.

A RESPONSIBLE POSITION OFFERING AN EXTREMELY GOOD FUTURE

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Over 40 years experience as top executive in U. S. and Canada. All types consumer credit financing, banking and insurance.

Available on per diem or flat rate basis, plus travel expenses.

Finest bank and business references.

BOX 408, THE FINANCIAL POST, TORONTO

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With minimum two years industrial sales experience to sell mechanical product to automotive, agricultural, aircraft and appliance manufacturers. Headquarters—Toronto area. Excellent salary, usual benefits, desirable future. Reply, giving résumé, references and photo to

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An established distributor of heavy equipment requires an experienced Administrative Accountant to take full charge of accounting including statements, tax returns, collections and credits.

(1) Location — Montreal
(2) Age — 30 to 40
(3) Qualifications: Chartered Accountant or equivalent in experience with industrial business.

Promotion prospects excellent for young man with ability and interest to assume increasing responsibilities.

Replies will be held in strict confidence and should contain full particulars of personal education and business qualifications.

REPLY BOX 397, THE FINANCIAL POST, TORONTO

PROJECTS DIRECTOR

For the Toronto office of an expanding firm of engineers and designers.

Must be a graduate professional engineer registered in the Province of Ontario.

The successful candidate will have overall responsibility for administering a wide range of projects which could include plant layout, technical studies, machine and tool design, etc.

This is a challenging position offering excellent opportunities for advancement. Please send complete details to

BOX 392, THE FINANCIAL POST, TORONTO

All replies treated in strictest confidence.

ACCOUNTANT - OFFICE MANAGER

Our client, a well-established manufacturing industry located on the Prairies, is seeking an Accountant-Office Manager to take charge of the office of a major branch engaged in both manufacturing and sales activities. Duties will include the preparation and interpretation of financial statements, and the administration of cost and budgetary control, systems, personnel, purchasing, and stores.

Preferred applicants will hold a professional accounting degree, must have several years of relevant experience, and will be in the 28-42 age bracket. The initial salary will be from $500 to $650 per month, depending upon qualifications. Local interviews, or reasonable travelling expenses for purposes of evaluation, will be arranged for selected applicants.

If you meet the requirements, please write in confidence, giving details of experience, training, and personal data, to:

STEVENSON & KELLOGG, LTD.

Consulting Management Engineering

810 Royal Bank Building, Vancouver 2, B.C.

ASSISTANT ADVERTISING MANAGER JOHN LABATT LIMITED

We require an Assistant Advertising Manager who will in fact administer our advertising and Advertising Department in Toronto under the guidance of our Sales and Advertising Manager.

The executive we want will be strong on administration, and will have a good working knowledge of advertising techniques and all advertising media. He will be keen, aggressive, and under 35 years of age.

Salary will be between $5,000 and $7,000 per year, commensurate with ability, experience and fulfillment of the above qualifications.

Applications must be made in writing only to —

PERSONNEL MANAGER,
JOHN LABATT LIMITED,
311 KING ST. EAST,
TORONTO, ONTARIO.

REQUIRED, *at once:*

*GENERAL MANAGER

for a NEW *book and writing*

PAPER MILL

Located in South America and scheduled for production in 1960, this mill will be an important unit in a steadily expanding multi-mill enterprise with headquarters in United States. Established a century ago, the parent organization has wide spread interests throughout North and South America.

Candidates should be in their forties and nearing the peak of a successful "paper" career embracing not only production but sales and general management.

Remuneration . . . salary and other considerations are adequate to attract senior executives now earning $20,000 or more.

APPOINTMENTS will be arranged in Montreal, Toronto or New York to enable qualified candidates to thoroughly explore this situation in confidence.

*MILL MANAGER *also required*

G. HAROLD FISK, P.Eng., Consultant

Dominion Square Bldg., MONTREAL

Canadian Auto Production

	Week Ending Oct. 4	Same Week 1957	Year To Date 1958	Year To Date 1957	% Change To Date
CARS					
General Motors:					
Oldsmobile	299	10	11,241	10,874	+3
Buick	353	2	10,812	10,833	....
Pontiac	800	28	42,290	36,943	+14
Chevrolet	1,011	14	55,868	59,366	—6
	2,463	54	120,211	118,016	+2
Ford:					
Edsel	...	...	1,397	1,927	—27
Mercury	...	...	4,438	8,231	—46
Meteor	253	...	18,440	23,853	—23
Ford	327	672	40,213	47,262	—15
	580	*672	64,488	*88,831	—27
Chrysler:					
Desoto	12	16	768	26	....
Chrysler	56	31	2,274	3,640	—37
Plymouth	330	207	14,394	26,200	—45
Dodge	292	238	15,744	29,447	—46
	690	492	33,180	59,313	—44
Studebaker-Packard:					
Studebaker	...	72	2,720	4,166	—35
Total	3,733	1,290	220,599	†272,118	—19
TRUCKS					
General Motors	549	32	19,151	20,913	—8
Ford	310	....	12,582	20,576	—40
Chrysler	120	118	4,707	6,134	—23
International	115	154	8,021	9,787	—18
Total	1,094	304	44,461	57,410	—22
Total vehicles					

*Includes Monarch.
†Includes Rambler.
Source: Canadian Automobile Chamber of Commerce.

Gas Price War in Quebec Puts Some Out of Business

MONTREAL (Staff)—One of the biggest, hottest gas wars in Canada's history—so bitter it has driven prices as low as 28.9c a gallon—is raging unchecked through Quebec.

Industry sources estimate 20 to 25% of the province's 8,300 outlets are involved in some degree.

Almost all areas are embroiled in the war. About the only exceptions are the heart of Montreal and Quebec City. In these two areas, dealers are keeping their fingers crossed, hoping the war won't spread into their districts.

Hardest hit appears to be the Shawinigan area, where prices on regular grade fuel have tumbled as low as 28.9c a gallon, off more than 35% from normal retail price.

Prices presently quoted on the highways between Montreal and other major centres range from 36.9c to 38.9c. This is 15% off the usual price of 45.9c to 46.9c.

Particularly in the Eastern Townships, the war has forced a number of outlets to close up shop.

Some have posted "for sale" signs, while others have simply suspended operations.

Gas wars that had been in progress in various Ontario centres earlier last month have —with the exception of isolated cases—largely dried up.

The Maritimes as usual are reported free from gas wars.

In all three Maritime provinces the maximum spread between tank wagon and retail prices is controlled by law. While this does not prevent a retail outlet from cutting prices, in practice almost all dealers take the maximum allowable mark-up.

ANNOUNCEMENT

ROBERT POOTMANS

ROBERT POOTMANS, B.A., L.S.C., President of Belcana Glass Limited, Montreal, announces his company's appointment as Canadian agents for UNIVERBEL Sheet Glass, POLYVERBEL Double Glazing and COLORBEL Enamelled Glass by the UNION DES VERRERIES MECANIQUES BELGES of Charleroi, Belgium.

Mr. Pootmans has been connected with the flat glass industry for 22 years. He served with the Royal Canadian Artillery and the Canadian Intelligence Corps during the last war.

The VENUS Red Coloring Pencil is an efficient pencil!

"Who says so?"

People whose job it is to be efficient, Bookkeepers, Traffic-keepers, School Teachers, Artists and Architects, Engineers and Draftsmen!

They specify Venus Red Coloring Pencils for these reasons:

Precise Color
Venus red is a brilliant readable red.

Precise Points
Like all Venus pencils, they take a sharp needle point—without crumbling.

Precise Strength
Venus coloring pencils (red included) tested 50% stronger than other makes. Therefore they last longer and cut pencil costs.

Look for the famous crackle finish—28 super colors in all.

Always specify Venus

Order from your stationer—or for nearest dealer, write:

VENUS PENCIL COMPANY
Toronto 14, Ontario

VENUS SUPER COLOR 6200 RED

Showdown in Auto Industry Near for Labor, Companies

Time for a showdown between labor and management in the Canadian auto industry is drawing closer.

Settlement of general contracts in the U. S. last week has cleared the way for negotiations now going on in Canada.

But the undramatic terms of the U. S. settlement may make it tougher for agreement to be reached in Canada.

- **On one side the United Auto Workers** in Canada are not likely to settle for "so little."
- **On the other side the Canadian companies** have been set an example of firmness in negotiation by their parent companies.

Contracts of the Big Three in Canada all expired last August.

Currently, **General Motors of Canada** is awaiting the report of a conciliation board; **Chrysler of Canada** is waiting for a board chairman to be named; **Ford of Canada** is still meeting with conciliation officers.

Seven days after the conciliation board report is handed down (and this may take two months) the union is legally permitted to strike — and the company to lock out.

"This is the moment when we have equality of bargaining for the first time," union officials point out.

Strategy meetings of the UAW in Canada are planned for next week.

One demand that is certain to get rank and file support: A claim for wage equality with the steelworkers.

In the initial stages of its own strike, **Steel Co. of Canada** pointed out in an advertisement that the average hourly earnings of its Hamilton workers are 30c more than the average for Canadian auto workers.

The UAW has not forgotten the advertisement.

Note: While "master contracts" have been agreed in the U. S. auto industry, local contracts have still to be signed.

How Car Sales Have Been Going

New car sales in Canada for the first eight months of 1958 were 6.7% lower than a year ago.

Here's how the market was shared (1957 figures in brackets):

GM: 44.7% (41.5%).
Ford: 21.3% (25.2%).
European imports: 17.9% (11.2%).
Chrysler: 13.4% (19.8%).

In volume, European imported cars are now equal to half the combined total of Ford and Chrysler. A year ago their share represented one quarter of this total.

At mid-week a number of GM companies were still strike-bound.

Some of the companies are suppliers of key parts for Canadian-built GM autos.

"We can run for only a few days without that key material from U. S. plants," GM of Canada president E. H. Walker states.

Company Report

Aircraft

A. V. ROE CANADA LTD., Toronto, consolidated net profit of $8,283,071 for year ended July 31, 1958, was 15.4% higher than previous fiscal year's net of $7,177,001.

Earnings were equivalent to 92c per share on the 8,111,941 npv common shares outstanding at July 31, 1958. This was 39.1% lower than the $1.51 per share earned in 1956-57 on the 4,763,500 shares outstanding a year earlier.

Roe acquired control of **Dominion Steel & Coal Corp.** Sept. 30, 1957. Earnings of Dosco for the final 10 months of the latest fiscal year are consolidated.

Largely because of the acquisition of 77% of Dosco stock, A. V. Roe enjoyed the greatest growth in its history, say Chairman Sir Roy Dobson and President Crawford Gordon.

Consolidated assets of $310.4 million at fiscal year-end were 113% higher than a year earlier. Consolidated sales increased by 57.9% to $370,750,000. Number of employees doubled, to 41,000.

Earnings did not reach expectations "due to general economic conditions," say the chairman and president.

Reorganization of Dosco, to strengthen management and realign the various units more effectively, is proceeding satisfactorily, they add.

Dosco's current ingot capacity is 1,020,000 tons. During the first seven months of this year, it operated at an average of 65% of rated capacity.

Detailed engineering studies are now under way for development of a flat rolled products mill on a 1,000-acre site which Dosco has purchased near Montreal.

Dosco's coal stocks at July 31 stood at 1.4 million tons, twice as high as normal.

Year's most important technical achievements were success of the Avro Arrow's initial test flight program, progress made with the Orenda Iroquois jet engine, and development of an armored tracked carrier for the Canadian Army.

In a special letter to shareholders, President Gordon emphasized that the Avro Arrow program has not been cancelled, but is to continue until next March when the Cabinet will review the situation.

Reports that 2,000 Avro and Orenda employees would be laid off are "quite erroneous," said Mr. Gordon. The 2,000 referred to are employed on the Astra fire control system and the Sparrow missile—both abandoned. Neither Avro nor Orenda was engaged in development or production of these units.

"This matter is not a question of manned aircraft versus missiles," the president said.

"It has always been understood that the defence of North America would require both manned and unmanned weapons. Both are needed. They complement each other.

"In the manned field, we know the Arrow will be superior to any other aircraft for the special role of defending Canada's vast territory, and when the review takes place next March, we are convinced it will be ordered into production."

CONSOL. INCOME ACCOUNT

Years Ended July 31:	1958 $	1957 $
Net oper. income	33,786,355	23,937,035
Add: Other income	1,023,171	222,502
Net earnings	34,809,526	24,159,537
Less: Depreciation	14,930,163	8,822,494
Special dev. exp.	827,625	1,399,807
Interest	1,215,756	582,641
Income taxes	8,122,196	6,277,794
Min. int.	1,430,715	.....
Net profit	8,283,071	7,177,001
Less: Pref. divds.	826,114	.....
Com. divds.	5,718,700	2,848,320
Surplus for year	1,738,257	4,328,681
Earnings per Share and Dividend Record:		
Pref.: Earned	$59.16	....
Paid	14.64	....
Com.: Earned	0.92	$1.51
Paid	0.80	10.60

‡Represents 3 quarterly dividends.
†Includes initial divd. of $1.76⅓ paid Jan. 2, 1958.

Shares o/s at as July 31:		
5¾% Pref., $100 par	140,000	.....
Common, n.p.v.	8,111,941	4,763,500

CONDENSED CONS. BALANCE SHEET

As at July 31:	●1958	1957
Cash	$1,401,593	$972,941
Mkt. sec.*	889,549	.....
Accts. rec.	47,885,407	28,417,404
Inventories	61,271,624	27,706,991
Total curr. assets	111,448,178	57,097,336
Prepaid exps.‡	2,792,439	1,260,062
Mtge. rec.	6,077,500	.....
Algoma Stl. shs. at cost	19,787,322	19,787,322
Shs. in other cos. cost	3,527,956	1,711,550
Misc. assets	2,994,424	645,827
Fixed assets†	161,772,395	65,252,430
Total assets	314,406,714	145,754,527
Due bank	39,225,174	25,191,317
Accts., etc., pay.	44,087,238	29,575,950
Long-term debt instal.	2,386,922	1,441,566
Total curr. liabs.	74,699,334	56,208,833
Furn. relining prov.	2,097,082	.....
Pension fund	888,723	1,064,033
Deferred inc. tax	26,521,332	13,590,642
Long-term debt	24,892,455	8,526,327
Contingencies	17,486,702	.....
Min. int.	24,101,117	.....
Capital stock	97,406,704	24,775,000
Capital surplus	5,710,266	7,147,853
Earned surplus	36,596,988	34,441,839
†After deprec. of	135,198,438	34,019,145
*Mkt. value	925,549	.....

‡Included in curr. assets in co.'s report.
●Consolidated to include Dominion Steel & Coal Corp. Ltd.

SLATER
POLE LINE HARDWARE

Specialties for:
- TRANSMISSION LINES
- DISTRIBUTION LINES
- TELEPHONE AND COMMUNICATION CIRCUITS

NICOPRESS SLEEVES AND TOOLS • PREFORMED ARMOUR RODS AND GRIPS • KELLEMS GRIPS

CUTOUTS • FUSE SWITCHES AND FUSE LINKS • COPPERWELD GROUND RODS CORONA FREE HARDWARE FOR HIGH VOLTAGE TRANSMISSION LINES

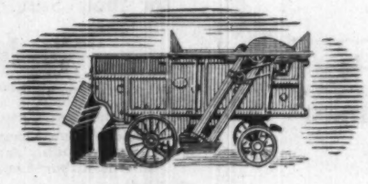
SOLD AND STOCKED BY Northern Electric COMPANY LIMITED

N. SLATER COMPANY LIMITED • HAMILTON, CANADA
Montreal Winnipeg Regina Edmonton Calgary Vancouver

FROM STEAMBOATS TO ICE-CREAM CONES

historic **HAMILTON** *famous for Industrial firsts...*

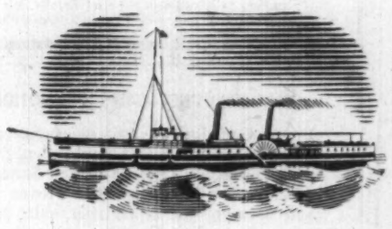
Since its very beginnings the City of Hamilton has been destined to become one of Canada's greatest industrial giants. Its record of initiative began early in the last century and has continued, unbroken, to the present atomic era. Many of the luxuries Canadians take for granted are part of Hamilton's long list of impressive industrial "firsts".



The story of Hamilton's Industrial "firsts" starts way back in the early 1830's with the arrival of one John Fisher. At that time, virtually all farm labor was done by hand. Threshing machines were unknown in Canada. When harvest time came, farmers used flails or had the grain tramped out by oxen or horses.

John Fisher, mechanical genius that he was, set to work to solve the problem. From his small foundry, he turned out the first mechanical threshing machine ever produced in Canada.

Fisher was only the first of many great Hamilton industrial visionaries.



After his success with the threshing machine came other pioneers. The first steamboat to sail on freshwater was built in Hamilton for Captain Sutherland in 1840. The first Hydro transmission took place in Hamilton and the first Canadian life insurance Company was established there. Soon the Ambitious

City became even more famous in Canada for the pioneer manufacture of the following products, the first locomotive, the first sleeping car, air brakes, ice cream cones, sulphur matches, coal oil lamps and sewing machines, to name but a few.

Since the 1830's, Hamilton has never looked back. Today it is the Nation's steel centre, with two of Canada's four largest steel producers. The Steel Company of Canada and Dominion Foundries and Steel Limited produce over half the basic steel of the country and nearly all of its tinplate. The city boasts the third largest shipping tonnage

of any Canadian port. And hundreds of other major industrial concerns are nestled around Hamilton harbour, including International Harvester, Firestone, C.I.L., and National Steel Car . . . all contributing to a gross value of production that has now risen close to one billion dollars a year.

Keeping pace with development in Canada's fifth largest city is the Hamilton Spectator with circulation over 100,000. Out of a more than 100,000 circulation, over 83,000 Spectators are bought daily in Hamilton city zone compared with Metropolitan Hamilton's over 80,000 families. For complete marketing information on Hamilton, contact the HAMILTON SPECTATOR . . . one of the eight Southam newspapers in Canada.

The Financial Post

Vol. LII Publication Office: Toronto, October 11, 1958 No. 41

Howard the Handsome Executive

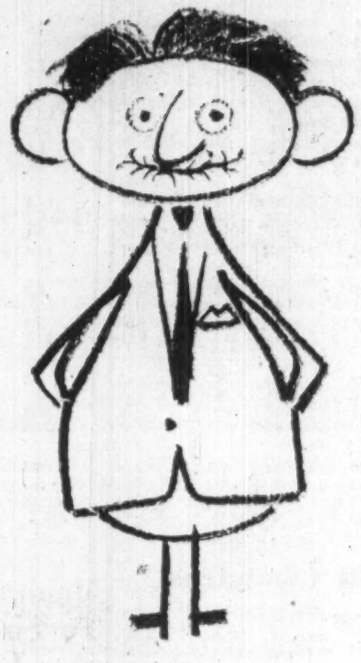
How he got that way... and how much it cost

As He Was

Eye-strain over-eating and 20 years of business worries did this to Howard.

$200

Bought him a good toupee for his cranium and a second hair-mop as a spare.



$300

Took off his horn-rims and put in contact lenses. They irritate for a while.

$300

Recapped some bad teeth in the front and filled out the blanks with falsies.

$800

For plastic surgery, gave him a new nose and put those ears back in perspective.

$7.50

Bought him a good male girdle, to shove that waist inward, upward and backward.

$90

Arrayed him in a custom-made new suit, of which $10 went for special shoulders.

$35

Went for a pair of "elevator" or "lift" shoes, which add inches to his height.

$40

Purchased a good sun lamp, to put the final touch on modernized Howard.

Total cost of the New Howard: $1,772.50

Toupee & Tummy: Male Beauty Boom

By VINCE LUNNY

An abundant crop of hair, a uniform set of sparkling teeth and just the right amount of avoirdupois going to waist can promote a well-adjusted personality, social contacts and business acceptability.

Belief in the truth of this statement has sparked a new boom in the beauty business for males.

From politicians to salesmen, hundreds of men—dissatisfied with their looks—are making changes.

Sales of toupees, capped teeth, optic lenses and exercise devices—to say nothing of girdle-equipped shorts and elevator shoes—are rising.

But none in the male beauty business will hazard an estimate of the annual take. Getting a practitioner to talk revealingly about his income is as hard as shedding 50 lb.

Some undisputed facts:

- More than 100,000 Canadians wear some type of hairpiece. Average cost: $100.
- Two percent of the men dye their hair or have grey streaks retouched compared with 25% of the women in the middle and upper income brackets. Cost: About $10 every two weeks.
- Two percent of people requiring optical aids use contact lenses, until recently mostly women. Now half those being fitted are men. Cost: Anywhere from $150 to $300.
- Tooth capping is done regularly by big city dentists. Cost: About $75 a tooth.

Not only TV stars and big guns

The quest for the features of Adonis is not confined as one might suppose to prominent executives and television performers.

A new and expanding market is springing up among young salesmen whose bills for physical renovation often are paid by the firms they represent.

So says Frank Adams, a Montreal designer of hairpieces, who contends bald salesmen equipped with someone else's hair show encouraging increases in sales.

Canadian Broadcasting Corp., a reliable informant says, reimburses its television personalities for money spent on correcting nature's deficiencies.

Especially conscious of their appearance are politicians.

Eight or 10 members of the House of Commons wear toupees and, because Ottawa is a small city and word gets around in government circles, they go to Montreal for periodic service.

Wearers generally own two, even three, toupees. Such hairpieces must be cleaned and blocked regularly, re-styled occasionally to conform with tonsorial trends.

If he didn't own a spare, a man noted for his well-padded pate would have to appear once in a while as shiny on top as a billiard ball.

According to Adams, who includes a few parliamentarians among his clients, more than 200 color combinations are available.

Human hair comes from Europe, grown by people who specialize in sale of their luxuriant manes. It is cleared through England which ships some 20 tons a year to North America.

Some 2% of men tint their hair

There isn't as much dyeing in Canada as in the U. S. where some establishments, like one in Manhattan's swank Fifties, cater strictly to the male trade.

One specialist in Toronto estimates some 2% of Canadian males have their hair tinted.

Many of his customers are older men married to younger women. Their first tint ($15) usually follows the wife's not-too-subtle hint. A touch-up every two weeks runs about $10.

What about contact lenses? Now greatly improved they are comfortable and easy to manipulate. You can even buy them tinted for outdoor use.

The corneal lens adheres through capillary action, floating on a film of tears. It takes from three months to a year for the wearer to adjust completely to the invader.

Costs vary from $150 to $300 depending on doctors' and opticians' fees and the amount of training time required to achieve tolerance.

Because men haven't been convinced that glasses detract from their appearance, make them less successful in business or less desirable as lovers, there has been no great rush to buy contact lenses.

Most high-priced dentists in big cities perform tooth-capping operations.

Procedure can be painful but entertainers and TV personalities seem to think it worthwhile. Some businessmen have invested in capping jobs at from $60 to $120 a tooth. Average cost is $75 for porcelain.

Here's how it's done:

They file the teeth to a cone

The dentist files the tooth to a cone, taking off most of the enamel. Then he makes a platinum matrix. On this, he constructs a cap, using either porcelain or an acrylic plastic, and plants it in the gums.

If only a few teeth are being capped, the dentist must color the caps to match the teeth in his patient's mouth. If a whole set is being made—and that's rare—the patient can have gorgeous, sparkling white teeth to surpass anything that nature offers.

There is very little plastic surgery done in Canada on mere males unless, of course, unusual circumstances prevail.

An unfortunate victim of an automobile accident might have to have major repairs on his face. That could cost him $1,000, more or less.

Professional athletes often have minor jobs done in the off-season.

One hockey player, who had his rather elongated nose badly smashed in a brief but spirited high-sticking affray in Detroit, submitted to plastic surgery (his club paid the bill).

He emerged from the operating room with a much more attractive nose than the one with which he was born—that, at least, is the general opinion.

Wrestlers generally wait until they retire to have the cauliflower removed from their ears.

A big market exists for appearance aids that don't involve physical modifications—shorts with elastic bands to flatter the stomach, shoes with built-in lifts for self-conscious little guys, suits with special padding to hide defects in skeletography.

Some items don't cost too much

None of these costs much. A dollar extra for the shorts, a few dollars more for the shoes, a small additional charge on the tailor's account.

There's a boom in conditioning and reducing devices. **Canadian Exercycle Corp.**, for example, is expanding its offices across Canada after establishing in Montreal.

It offers a motor-powered unit which guides the body in a series of prescribed physiological exercises. You ride it like a bicycle with your rump in a contour seat, your feet in pedal straps, your hands on handle bars. Prices range from $319 to $590.

There is also Relax-A-cizor which, its manufacturers say, tones, tightens and trims hips, abdomen, waist, thighs, etc. It works by electrical impulse through pads attached to whatever parts of your body you want to treat. Cost: Around $200 for a standard model.

Cheaper, if you are willing to provide the motive power yourself, are rowing machines and mounted cycles. All you have to invest is $20 to $50.

Most businessmen, with no defects but with a tendency to get out of shape, prefer to retain some bloom of youth by playing golf and curling and taking the best reducing exercise in the world—pushing away from the table!

Auto Rates Poser

For Canada as a whole—excluding Saskatchewan where there is a compulsory government-administered plan — average cost of auto insurance claims for injuries to persons and damage to property rose in first half 1958 by only 6.6% to $290 from 1957's $272 which had increased 10% from the previous year.

This is indicated in the auto insurance industry's Green Book of underwriting experience in the past 18 months.

Some of this increase is due to inflation which makes it more expensive to repair smashed fenders and meet hospital costs.

Claim frequency — the number of accidents per 100 cars—dropped from 10.5 to 9.5.

Under other coverages, claim frequency and average cost of claims are mostly unchanged or lower. In the few cases where they are higher the increase is slight.

The improved experience of the first six months, however, was not as real as it seemed. It is being rapidly wiped out by the mounting claims that have accompanied a revival in car-driving activity.

As a result, the indicated adjustment in this year's Green Book will not be as useful in determining what rates will be set at the beginning of 1959 as it has been in the past.

Rising claims of the past few months have flashed a caution light.

There is a strong feeling in the auto insurance industry that any action on the basis of Green Book experience should be deferred until financial statements for the second half of this year have been examined.

Moreover, insurance men point out, the 5% reduction in premiums which the Green Book experience might indicate, is very small. It would mean a saving of less than $2 on the average third-party liability policy.

The auto insurance industry in Canada suffered heavy underwriting losses last year and the year before. It is unlikely in the light of a rise in the number of claims and the trend towards higher repair bills and more costly auto crashes that drivers can expect their premiums to be reduced.

Fewer, less costly accidents is the only way to bring them down.

The tables show the record of auto insurance experience during the 18 months ending June 1958 compared with that in 1953. It indicates, with the reservations noted above, how drivers are doing:

- Province by province for different types of coverage;
- By categories of drivers.

The 1957 Record by Provinces

	Private Passenger Cars Insured		Claims		Ratio Claims and Expenses to Premiums Earned		Indicated % Change from Ratio Level	Claims Per Each 100 Cars		Average Cost Per Claim	
	1953	1957	1953	1957	1953	1957	1957	1953	1957	1953	1957
	No.	No.	No.	No.			%	No.	No.	$	$
Ontario											
Injuries to persons and damage to property	761,715	1,036,074	83,582	93,615	90	94	—10	11.0	9.0	206	277
Damage to own car	485,222	770,651	44,698	65,312	95	93	—11	...	...	...	...
Fire and theft	692,964	344,485	18,867	10,992	105	113	+21	2.7	3.2	69	66
Comprehensive	189,642	669,176	21,666	95,121	89	108	+13	11.4	14.2	49	52
Quebec											
Injuries to persons and damage to property	198,207	319,857	37,365	50,540	89	95	—8	18.9	15.8	228	298
Damage to own car	126,407	221,198	19,410	34,420	89	97	—5	...	...	...	...
Fire and theft	263,390	106,277	9,596	4,872	104	120	+32	3.6	4.6	117	112
Comprehensive	195,999*	232,728	23,483*	30,329	103*	117	+27	12.0*	13.0	81*	90
Prince Edward Island											
Injuries to persons and damage to property	4,445	6,038	416	402	110	126	+41	9.4	6.7	226	384
Damage to own car	2,950	4,424	273	296	124	96	—6	...	...	...	...
Fire and theft	6,470	1,679	107	36	93	92	—13	1.7	2.1	177	126
Comprehensive	832	4,855	117	611	88	96	—6	14.1	12.6	45	58
Newfoundland											
Injuries to persons and damage to property	11,458	18,893	1,585	1,792	92	94	—10	13.8	9.5	195	291
Damage to own car	9,282	12,403	1,201	1,194	104	92	—13	...	...	...	...
Fire and theft	9,613	5,690	159	232	103	120	+32	1.7	4.1	244	127
Comprehensive	2,040	9,439	86	1,027	75	99	—2	4.2	10.9	128	81
New Brunswick											
Injuries to persons and damage to property	28,765	59,557	3,277	5,167	87	100	N.C.	11.4	8.7	191	303
Damage to own car	15,805	24,782	1,693	2,138	93	92	—13	...	...	...	...
Fire and theft	34,985	18,943	678	489	113	88	—19	1.9	2.6	255	118
Comprehensive	5,430	26,916	871	4,016	93	115	+24	16.0	14.9	54	80
Nova Scotia											
Injuries to persons and damage to property	61,605	77,890	7,097	5,937	93	94	—10	11.5	7.6	204	317
Damage to own car	21,592	32,777	2,257	2,260	100	92	—13	...	...	...	...
Fire and theft	41,009	21,401	850	595	121	109	+14	2.1	2.8	162	102
Comprehensive	7,803	34,400	888	4,597	91	107	+11	11.4	13.4	62	68
Manitoba											
Injuries to persons and damage to property	111,660	135,586	10,604	10,438	92	96	—6	9.5	7.7	175	237
Damage to own car	71,522	100,559	5,791	8,011	98	102	+3	...	...	...	...
Fire and theft	94,533	72,817	2,251	2,161	107	126	+41	2.4	3.0	69	70
Comprehensive	14,400	53,136	3,187	11,326	95	113	+21	22.1	21.3	44	59
Alberta											
Injuries to persons and damage to property	123,379	214,693	9,016	14,228	96	97	—5	7.3	6.6	253	286
Damage to own car	116,963	165,752	9,802	12,140	104	98	—3	...	...	...	...
Fire and theft	114,869	99,625	2,877	3,141	107	105	+8	2.5	3.2	109	84
Comprehensive	29,855	90,186	7,583	25,710	95	111	+17	25.4	28.5	57	64
British Columbia											
Injuries to persons and damage to property	211,464	280,883	20,055	22,937	84	95	—8	9.5	8.2	247	344
Damage to own car	138,650	202,503	9,577	14,860	84	97	—5	...	...	...	...
Fire and theft	150,435	102,971	5,248	3,839	90	99	—2	3.5	3.7	59	64
Comprehensive	43,600	142,322	6,395	25,855	81	108	+13	14.7	18.2	51	64

*1956

How Driving Skill Compares

... On Injuries and Damage to Property

Drivers Class	Cars Insured	Claims	Indicated % Change Rate Level	Claims Per 100 Cars	Average Cost Per Claims ($)
1A	1,268,114	99,136	—6	7.8	282
1X	57,395	5,978	—6	10.4	273
1Y	75,060	8,812	—6	11.7	275
1B	133,597	18,740	+5	14.0	259
2A	57,260	6,914	—2	12.1	301
2X	3,115	466	—17	15.0	375
2Y	4,436	681	—17	15.4	291
2B	10,844	1,763	—14	16.3	302
3A	120,786	15,350	—16	12.7	298
3X	7,551	1,272	—22	16.8	264
3Y	10,252	1,775	—32	17.3	260
3B	20,077	4,004	—21	19.9	294
4A	79,251	11,967	+3	15.1	332
4X	8,372	1,538	—6	18.4	314
4Y	11,010	1,874	—14	17.0	355
4B	28,433	6,046	—6	21.3	335
5A	23,313	2,408	—22	10.3	256
5X	1,293	149	—40	11.5	237
5Y	1,657	201	—44	12.1	227
5B	3,041	447	—21	14.7	305

Auto insurance companies divide private car drivers into 20 basic categories. Your personal rating can be worked out from this key:

1. Cars where no male operator is under the age of 25.
2. Cars with a male operator under 25.
3. Cars used chiefly for business including partnerships, companies and corporations, with the main driver over 25.
4. Cars owned or operated by persons under 25 whether used for business or not.
5. Cars owned or operated by married persons under 25 whether used for business or not.

The lettered subdivisions of the above five classes denote the number of years insured has been free of claims:

A—Last three years. X—Last two years. Y—Last one year. B—Others.

Figures apply to all Canadian drivers with the exception of those living in Saskatchewan.

New Farm Co-op. Eyes Big Market

A new farm co-operative—**United Dairy & Poultry Co-operative Ltd.**, Weston, Ont. — has begun operations.

It expects a first-year volume of $12 million, says President George McCague, Harriston district farmer.

U.D.P.C. is said to be the first dairy and poultry marketing co-operative to receive a charter to operate on a province-wide basis.

Its chief aim will be to supply dairy and poultry products for general consumption. It will also carry on research work leading to the development of related new products.

U.D.P.C. is an outgrowth of the former dairy and poultry marketing division of the United Co-operatives of Ontario at Weston.

Manitoba Fund To Encourage New Industry

Proposed legislation in Manitoba will provide financial assistance to supplement regular sources of capital for business in both urban and rural centres. Industrial development funds will also be available to a limited number of service industries, including tourist operators.

Local industrial development corporations will be established in towns wishing to improve their industrial future. The corporation must be established by local men and must raise its own funds.

The government would then match this amount and the money would be used in any way which would encourage establishment of new industry.

The board administering the fund will be instructed not to compete with ordinary sources of capital but to act as a supplementary source.

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FP-158

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So before you invest a nickel in new construction, consult your Butler Builder. He'll show you how to get a first class building at a surprisingly moderate cost. His name is listed in the Yellow Pages under "Buildings" or "Steel Buildings." Or write directly to address below.

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Seek Single Housing Code

A special housing committee appointed to prepare a single housing code for Canada held its first meeting last week. The committee was appointed by National Research Council's associate committee on the National Building Code.

It is proposed that the housing code will become a separate part of the National Building Code and that it will bring together all requirements for one and two-family dwellings in the NBC, and those for houses covered by DBR Housing Standards (formerly CMHC Building Standards). At the same time, a complete review of all requirements will be made.

The new 29-man committee has coast-to-coast representation and includes people from all major groups concerned with housing. Richard E. Bolton, Montreal architect, is chairman.

At the first meeting, a small steering committee was appointed to plan detailed organization of the committee's work. Technical committees will be appointed to prepare drafts of various sections of the new code.

Whalers Have Good Season Off B. C. Coast

From Our Own Correspondent

VANCOUVER—British Columbia whalers had a great year, killing 774 of the giant sea mammals compared with 635 last season.

The six killer boats operated by **B. C. Packers Ltd.**, out of Winter Harbor, near the north end of Vancouver Island, cut short their season by two weeks because of bad weather.

Between April 1 and Sept. 18, the gunners killed about 500 fin whales of the baleen type compared with only 114 sperms. Majority of the kills were made in midsummer about 60 miles out in the Pacific. Only eight big blue whales were caught.

The huge carcasses were towed to the Coal Harbor plant where they are reduced to mink feed and fertilizer. Little effort was made to recover oil as the price is abnormally low.

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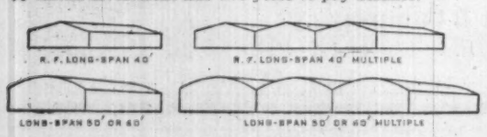

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Skoglund says...

"Don't let democracy become an 'ism'"

In these days of "isms," we sometimes wonder what rights the individual is going to have left. Communism, Socialism, Fascism and the rest have taken away many of the human rights that we regard as sacred. In other countries, the State has assumed control of most of the endeavors that we were brought up to think of as Christian principles: Charity, Justice, Peace, Goodness, Brotherly Love . . . where do these fit in?

We don't have to look far in Canada for a real expression of these principles. Your Community Chest and United Fund combine such virtues with the precepts of democracy. Each citizen has freedom of choice in charity, as in government. You may help your neighbor, or leave the matter to someone else, but you can rest assured that enough will respond to the needs of your community to see that vital charitable services continue and expand for another year.

Or can you rest assured? If you don't help your neighbor, the State must. When it does, democracy may become an "ism."

Confidently.

H. P. Skoglund

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President

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58-29

Bond Traders Elect Officers

J. A. Lascelles of **Dominion Securities Corp.** has been elected chairman of the board of governors of the Toronto Bond Traders' Association for 1958-59.

Other new executive members: D. L. Erwood, **Harris & Partners**, vice-chairman; N. K. Owen, **Equitable Securities Canada**, secretary; F. A. Blain, **A. E. Ames & Co.**, treasurer.

Committee members of the new executive: G. Campbell, **Burns Bros. & Denton**; L. F. Gower, **Midland Securities**; J. R. McCloskey, **Royal Bank of Canada**; R. A. White, **James Richardson & Son**; L. M. Wightman, **Isard, Robertson & Co.**

A. R. Smith is ex officio chairman.

B-A's New Refinery, Plant On Stream in B.C., Pincher

This month **British American Oil Co.** brings into operation two major projects representing a combined capital outlay of approximately $50 million.

The second development stage of company's big Pincher Creek gas processing and sulphur plant.

- Company's first British Columbia oil refinery.

Another important development milestone has been reached in Alberta with completion of the second stage of British American Co.'s Pincher Creek gas processing and sulphur plant.

Designed to serve one of the biggest gas fields in western Canada the new plant will recover an important range of hydrocarbons and produce large daily tonnages of elemental sulphur. It will constitute the principal single source of gas for the **Trans-Canada** gas pipeline.

The sulphur and hydrocarbons from the new plant could provide the raw materials base for establishment of a number of new plants for production of a range of new products, e.g. fertilizers, synthetic rubber, synthetic fibres, etc.

The plant is now capable of producing 100 million cu. ft. of gas daily; 3,950 barrels of condensate (a type of natural gasoline); 13,700 gallons of propane; 20,280 gals. of butane and 435 long tons of sulphur.

The gas now comes from 10 producing wells in the Pincher Creek field—about 25 miles east of the British Columbia border and 20 miles north of the U. S. border. Ultimately there will have to be 25 wells as the plant is expanded to meet the growing markets of Trans-Canada. Gas reserves in the field are placed at close to 2 trillion cu. ft.

The plant has been built in two stages with stage 1 completed in Jan., 1957 and designed to recover only condensate and sulphur.

In this stage the partially processed gas was returned into reservoir gas wells, awaiting completion of the Trans-Canada gas pipeline.

The second stage, now going into operation, will extract the additional product of propane and butane and produce purified gas for distribution to industrial and domestic consumers.

Total cost of the project to date is around $25 million.

The plant now consists of 17 buildings, 24 large storage tanks and a 20-car railway spur line.

The condensate has been shipped to the B.A. refinery in Calgary where it makes up part of the feed. The sulphur goes to fertilizer plants, pulp and paper mills and mineral extraction plants.

Revenue from these products has helped in recovering part of the high expenditure incurred in the development of the field.

B-A's Port Moody refinery, now in testing stages preparatory to full operation, is the largest single project ever tackled by the company. Costing $25 million it will be able to process about 20,000 barrels of oil daily.

The refinery incorporates a number of "firsts":

- First alkylation unit for B-A and the first for B.C.
- First middle distillate desulphurization unit for B-A and the first for B.C.
- First carbon monoxide-type boiler in B.C.
- First over-all automatic gauging system in a refinery in Canada.
- First all-electronic instrument system on all process units in Canada.

Crude oil for the refinery will be brought initially from Edmonton via the **Trans Mountain Pipe Line** facilities. The refinery will greatly augment company's already important operations on the West Coast.

The company first entered the province in 1935 as a marketer of petroleum products, now has about 550 dealers and service stations throughout the province.

Company has an important marine business, operating a large tanker and some barges to serve fishing fleets, lumber camps and industries otherwise difficult of access.

Charles William Coote becomes the first manager of the Port Moody refinery. Mr. Coote is a westerner and joined B-A in 1944. His promotion has been rapid within the B-A organization and he was manager of the Calgary refinery before his new appointment.

Training School For Prospectors

Special Correspondence

VANCOUVER — The world-famous prospectors' training school held by the B.C. and Yukon Chamber of Mines every year will open in Vancouver on Nov. 4.

Applications have already been received from almost every part of Canada, many U. S. states, and Mexico, Peru and Chile.

The 3½-month course of twice-weekly classes has trained more than 3,500 persons in the past 40 years.

Here's How Estate Tax Act Could Alter Your Legacies

OTTAWA (Staff) — The finance department issued a reminder this week that the basis for levying death duties will be drastically changed on Jan. 1, 1959, when the new Estates Tax Act comes into force.

It recommended that everybody should look over their old wills, and make sure that the new act will not frustrate their intentions.

The major difference arises over which among several legatees shall bear the tax burden.

Under the old Succession Duties Act, you could assume that the tax would be paid by each legatee in accordance with his own circumstances—unless you made special provisions to alter the impact.

Under the new Estates Tax Act, the tax is not a liability of the legatees, but of the estate. This has consequences which could upset the intent of many wills made under the old act.

Here's the main point:

If your will provides for specific legacies to certain people or institutions, and then leaves the residue to your nearest and dearest heir, you probably did not mean that the nearest and dearest should bear all the tax burden.

But that is the way it will be under the new act unless you do something about it.

If you die after Jan. 1 next, and have left a residuary legatee, then the whole burden of the estate tax will be paid by the residuary legatee.

Here's a simple example:

Mr. Uxor died leaving $100,000 after payment of debt but before tax. He left $25,000 to each of his two children, and the residue (which he assumed to be about $50,000) to his wife.

Under the old law, each of the children paid tax of $2,675. The widow paid $3,540.

Total tax was $8,890.

Under the new law the total tax is considerably less. It comes to only $6,200.

But this is due from the estate, not the beneficiaries. So the relief benefits the children greatly.

But it's really hard on the widow.

By the new law the widow would pay the whole $6,200, because she is the residuary legatee. The children's $25,000 each would be tax free.

Warning, therefore: Look after your residuary legatee.

In the above case, there are several ways Mr. Uxor could fix up his will so as to protect his wife.

Realizing that she would have to pay all the tax, he could reduce the children's legacies to $20,000, and leave his wife $60,000 — this giving her an adequate margin.

Or he could write the whole will differently, not mentioning any fixed sums, but proportions. Here are two different ways.

- **Provided that the estate, after payment of tax, is to be divided into quarters:** one quarter to each of the children. One half to the wife.
- Or put in a clause providing that each legatee shall pay the same share of the tax as his share of the estate is to the total.

It is perfectly possible to write a will so that your intentions shall be fulfilled. But you do need to take a look at it in the light of the new act.

RESULTS COUNT!

One of the many industrial buildings sold through T.R.E.B. *Photo Co-Op*

This is one of the many industrial buildings in Metro Toronto sold recently through the Toronto Real Estate Board Photo Co-Op multiple listing system. Our Photo Co-Op Service is available only through our members.

Whenever you are considering either the sale or purchase of industrial buildings or property, consult a member of the Toronto Real Estate Board.

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NEW GAME RESERVE

A new game preserve has been established along the south-east shore of Lake Manitoba near Clandeboye Bay and will be known as the St. Ambroise Bird Sanctuary. Object is to stop pass shooting of ducks along the sandy beach shoreline of Lake Manitoba as they fly from the lake towards the marshes.

"Total marketing demands that we reach both the English and the French markets in depth."

"At Pfizer Canada, we service both the big Canadian markets. Total marketing, whether for ethical or proprietary preparations, demands that we reach both the English and the French markets in depth.

"We give strong support to our consumer advertising with our continuous campaigns in Drug Merchandising and Le Pharmacien (The Druggist). These campaigns are directed to helping Canada's pharmacists coast to coast to merchandise our products successfully.

"Our advertising to the retail pharmacists is regular and frequent. We use it to:

point up product features
highlight packs and packaging
suggest prospects
describe and offer point-of-purchase displays
remind customers of availabilities.

"We keep up a steady flow of information to retail outlets all across Canada, information that helps sales. For this job we find Drug Merchandising and Le Pharmacien economical, and, above all, effective."

John Mulchew

Advertising Manager
Pfizer Canada

French Canada is one third of all Canada. It is prosperous, thriving, important and growing wealthier daily. It is vital to modern merchandising in Canada.

It is vital, too, to get your line into the stores where French-Canadians shop first — the stores where they buy and sell in French. The sure way to do it is through the retailer.

When you are making your marketing plans for 1959 be sure to cover the French language market. Be sure you have the retailer on your sales team. Get him there and help him sell your products through your French dealer advertising.

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CANADIAN JEWELLER
CANADIAN STATIONER
DRUG MERCHANDISING
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MEN'S WEAR
PAINTING AND DECORATING
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THE BOARD OF DIRECTORS OF

CANADIAN EAGLE OIL COMPANY LTD.

announces the consolidated results (unaudited) of the Company and its Subsidiaries, Eagle Oil & Shipping Company Limited, Venezuelan Eagle Oil Company Limited, Eagle Tanker Company Limited, Eagle Petroleum Company (Overseas) Limited and Eagle Petroleum Company (Kuwait) Limited for the half-year January to June 1958. For purposes of comparison, corresponding figures for the similar period in 1957 are given. In line with the Note included in the Annual Report for 1957, all taxation on income has, from 1957 onwards, been grouped together under the "Taxation" bracket and the January to June 1957 comparative figures have been reclassified on that basis.

	Jan./June 1958 £	Jan./June 1957 £
Profit on trading after charging Administration and other expenses ..	4,853,645	7,229,540
Income from trade investments	90,721	96,978
Income from other investments	403,163	314,161
Net Profit on disposal of Capital assets	216,456	.....
	5,563,985	7,640,679
Debenture interest paid and accrued ..	9,433	14,025
Note interest paid	21,875	21,875
Depreciation of floating craft	514,653	434,511
Estimated taxes on income	745,000	1,976,081
Premium on redemption of Eagle Oil & Shipping Company Limited's Preference stock	.....	119,330
Net Profit	4,273,024	5,074,857
	5,563,985	7,640,679

ANNOUNCEMENT

PEACOCK BROTHERS APPOINTMENTS

B. P. Emo, P.Eng. R. C. Cook, P. Eng.

Peacock Brothers Limited announce the appointment of Brian P. Emo as manager of the company's Toronto office. He was formerly manager of the Montreal branch office. Richard C. Cook, formerly head of the general sales department, succeeds Mr. Emo as Montreal branch manager.

150,000 Housing Starts for 1959

CMCH sees no reason for increase over '58: 'Too many economic factors'

(Special Correspondence)

MONTEBELLO, Que. — New housing starts in 1959 are not expected to exceed 150,000, the figure **Central Mortgage & Housing Corp.** is forecasting for 1958.

"We have no reasons to expect that next year's starts will go beyond 1958's starts.

"There are too many economic factors that haven't yet firmed up to allow a firm forecast," said Jack Hodgson, executive director of CMHC, pinch-hitting for Stewart Bates, CMHC president, who was scheduled to address the annual convention of the Canadian Institute of Plumbing & Heating here.

Hodgson made specific reference to strengthening bond market and implied that housing mortgages would have to compete more strongly with more attractive investments if the housing program was to be fulfilled.

The probability of 150,000 starts this year **means a $200 million market for Canada's heating and plumbing industry.**

The average cost of plumbing and heating per house was figured at $1,350 by CMHC officials.

The president's prepared talk, delivered by Hodgson, was more definite about the long-term possibilities than the immediate prospects.

The Gordon Commission's forecast of 3.7 million new dwellings by 1980 means that each year the building industry must produce an average of 151,000 dwellings.

The years 1975-1980 will produce a peak demand when the highest proportion of the six million children now in school will be setting up households of their own.

In terms of dollars it will take $43.7 billion to build the required number of houses and the plumbing and heating industry's share would amount to about $4.5 billion.

Behind the current upsurge in house building was the continuing strength of the market for the small home loans program which was instigated by the federal government in August of last year.

It was pointed out that although the private lenders had returned to the residential mortgage field fairly strongly, it was the federal financing directed toward the lower cost house, which was responsible for the remarkable increase in housing activity during the latter part of 1957.

The report emphasized that this happened during a period **which was traditionally regarded as one of declining housing activity.** The 1957 forecasts set a target of 110,000 starts but the figure proved to be 122,000.

Backgrounding the report were the facts and figures of a busy construction year heading into the home stretch with awards a healthy 20% ahead of 1957 figures for the same period.

Spearheaded by a whopping 74% jump in volume of residential construction, the grand total of contract awards for all categories for the first nine months of this year was $2,639,248,900.

This figure was $443,187,000 more than in 1957 and second only to the record set in 1956 for the period of $2,683,874,200.

Commercial construction showed a remarkable 37% gain: Engineering construction was down 7%. Industrial construction was the only black spot in an otherwise bright picture with awards down 50% from last year.

This trend developed early in the year and continued steadily downward.

Explaining the federal government's interest in maintening the stability of the house building industry, the report said:

During 1958 the construction of new housing alone will account for an expenditure of about $1.8 billion.

When you consider that this outlay involves related expenditures of between $300-$400 million on services, roads, furnishings, landscaping and all the ancillary items that go with the present standard of living, **you can readily understand that the government's concern with maintaining the stability of the industry is an extremely serious one.**

"The housebuilding industry is highly susceptible to minor changes in economic conditions and any shift has wide implications for other industries.

"It is a key industry which is constantly observed as an indicator of economic conditions.

"Housing conditions in themselves and employment conditions were the two factors which led the government to make available $750 million for housing loans in the years 1957 and 1958.

"This was done when funds from private lenders were in short supply."

Although you have heard more about it during the recent period of intense competition for funds, CMHC has been in the position of a direct lender since 1947.

A market in insured mortgages now exists in Canada whereby insured mortgages can be bought and sold in a similar manner to bonds.

Stimulation of this market would assist the flow of funds to housing.

"The changing financial role in housing over the last year or so has demonstrated that the federal government is concerned with keeping the house building industry in a healthy state."

New Issue

843,800 Shares

THE BRITISH AMERICAN OIL COMPANY LIMITED

(Incorporated under the laws of Canada)

Common Shares without Nominal or Par Value

Transfer Agents and Registrars:

Chartered Trust Company: Toronto and Montreal

National Trust Company, Limited: Winnipeg, Edmonton and Vancouver; and through its agent in Halifax, Saint John and Regina

Registrar and Transfer Company: New York

In the opinion of Counsel, these Shares will be investments in which the Canadian and British Insurance Companies Act states that companies registered under Part III thereof may, without availing themselves for that purpose of the provisions of subsection (4) of Section 63 of said Act, invest their funds.

The outstanding Common Shares of the Company are listed on The Toronto Stock Exchange, the Montreal Stock Exchange and the Vancouver Stock Exchange and applications have been made to list on all such exchanges the additional Common Shares to be issued by the Company.

We, as principals, offer these 843,800 Common Shares which are under option from the Company, subject to prior sale and change in price, if, as and when issued by the Company and accepted by us and subject to the approval of all legal matters by Messrs. Tory, Arnold, Wardlaw, Whittaker & Tory, Toronto, on our behalf and Messrs. McCarthy & McCarthy, Toronto, on behalf of the Company.

Gulf Oil Corporation, the majority shareholder of the Company, has agreed to purchase from the Company, in Canada, at $40.00 per share, an additional 1,156,200 Common Shares, a number sufficient to maintain its present percentage ownership of the issued capital stock of the Company. Gulf Oil Corporation has also agreed to purchase from the Company, in Canada, at $40.00 per share, any of the 843,800 Common Shares in respect of which the above-mentioned option is not exercised.

Price : $40.00 per share

Orders for these Common Shares may be placed through any member of The Investment Dealers' Association of Canada or the Toronto, Montreal or Vancouver Stock Exchanges.

The right is reserved to reject any application or to allot a smaller number of Common Shares than applied for and to close the subscription books at any time without notice.

It is expected that definitive share certificates for the Common Shares will be available for delivery on or about October 30, 1958.

A Prospectus will be furnished promptly on request.

Wood, Gundy & Company Limited — **Harris & Partners Limited**

McLeod, Young, Weir & Company Limited

NEW

Curon®

for Offices • Hotels • Institutions and Homes

SOFT WALL AND CEILING COVERING*

INSULATE • DECORATE • CONTROL NOISE

all at once!

An exclusive product of Curtiss-Wright, Curon soft tiles actually upholster the surface they cover—for a whole new approach to home and office decorating. With Curon, normal noises are hushed... the very atmosphere seems insulated against distractions.

Curon INSULATES—With CURON on the walls, rooms stay warmer in winter, cooler in summer. For example, at room temperature, CURON's "K" factor is a low value of only .27.

Curon DECORATES—Design possibilities are unlimited. You can choose from 12 decorator colours.

Curon CONTROLS NOISE—Tests conducted by Pennsylvania State University show that Curon—even when installed only on the upper half of the wall—reduced by 66 to 73% the reverberation of sound from within the room.

ADDITIONAL ADVANTAGES OF CURON

• FLAME RESISTANT • EASY TO CLEAN
• MOISTURE RESISTANT • EASY TO INSTALL

For complete information and samples, write or call:

PAUL COLLET & CO. LTD.,
Laurentian Hotel, Montreal, P.Q.

CANADIAN **CURTISS-WRIGHT** LIMITED
1980 SHERBROOKE WEST, MONTREAL

*As advertised in LIFE, October 13th.

Alta. Builders Form Council Of Five Cities

From Our Own Correspondent

EDMONTON — First of its kind in Canada, the Alberta Builders' Exchange Council has been organized by representatives of the Exchanges in five Alberta cities. The Exchanges have a total membership of 850.

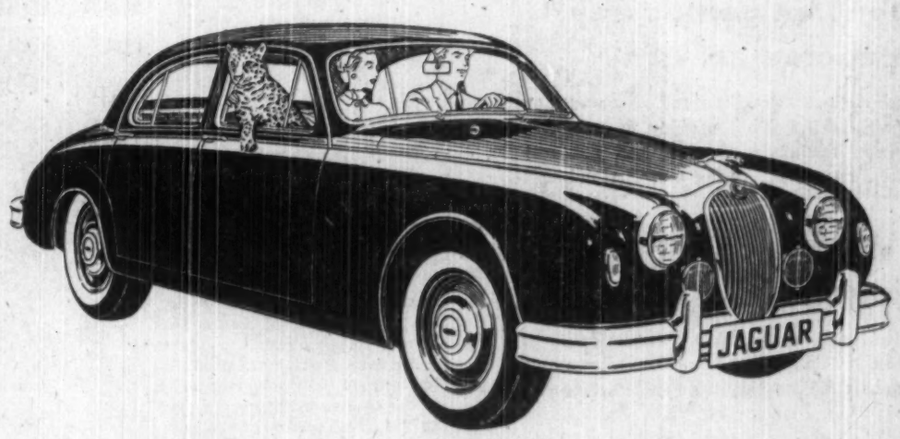
The new council is to co-ordinate the activities of all these Exchanges and speak for them as occasion requires.

Walter L. Nisbet, an Edmonton barrister, was appointed co-ordinator, effective Oct. 1.

The first president of the new council is Ralph Hole, of Edmonton. He is secretary of the Edmonton firm of **Lockerbie & Hole Western Ltd.**, and a vice-president of the **Edmonton Builders' Exchange.**

G. F. McAulay, of the **Calgary Builders' Exchange,** is vice-president. Other directors are Dave Smith, Calgary; Jack Holmes, Edmonton; W. Ellenwood, Red Deer; Herb Pratt, Lethbridge, and H. Stewart, Medicine Hat.

JAGUAR 3.4



Only 1,000 Canadians can get a new Jaguar this year

Jaguars are not mass-produced. Infinite precision in manufacture makes this impossible. The 3.4 is rather hard to come by. It combines the lithe grace and power of a sports car with the elegance of a family sedan. From the purr of its power plant to its hand-finished interior, it is luxury.

IN CASE YOU NEED AN EXCUSE TO BUY A JAGUAR:

PERFORMANCE—Tested and proved in international race track competitions, the famous Jaguar engine provides quiet, surging power for starts, safe passing. *Amazingly economical.*

ROADABILITY—The Jaguar suspension system provides floating comfort even on the roughest of surfaces, prevents roll on winding roads. No pitching, no wavering.

RESALE VALUE—You get unbelievably high turn-in value because Jaguar, the finest car of its class in the world, stands up for thousands of miles beyond expected "normal" standards.

JAGUAR CARS (CANADA) LTD.
8270 Mayrand Street, Montreal, Quebec
(Montreal Branch Office and Parts Depot)

ANNOUNCEMENT

HALL SECURITIES APPOINTMENT

ARTHUR LUNGLEY

Hall Securities Ltd. are pleased to announce the appointment of Mr. Arthur Lungley to the Company's Board of Directors.

Mr. Lungley came to Canada in 1932 and has had over fifteen years experience in the investment business in this country.

During World War II Mr. Lungley served with the B. C. Regiment. Later, in 1952, he assumed command of the Regiment and has only recently relinquished that post.

In his earlier days in Canada Mr. Lungley was also a Canadian International Rugby player.

Outlook Better For Pulp, Paper As Year Ends

MONTREAL (Staff) — How strong — and how reliable — are the scattered signs of improvement which have appeared recently in the nation's pulp and paper industry?

This is the subject of much painstaking analysis right now.

Market research men, production experts and investment analysts all are trying to determine whether the sales and production decline is leveling off—or even turning into an uptrend.

Over-all, the big industry remains well below both 1956 and 1957.

But some firmness in paperboard and fine papers, plus hoped-for continuation of better U. S. newsprint consumption seems to lead to this conclusion:

The industry whose production was worth $1.5 billion in 1956, whose exports annually top $1 billion, looks to have ended its decline. An upturn may be around the corner — if the general economy keeps gaining strength.

First thing to remember is that the this-year-last-year comparison can be deceptive.

Since the latter months of 1957 were, generally, ones of decline for pulp and paper, a 1958-57 parallel now may be only a comparison of one mediocre month with another.

Looking at the major segments of the industry:

Newsprint:

Newsprint Association of Canada figures show 1956 the big year. Production hit an all-time peak, mills operated at more than 100% of capacity in every month.

Shipments also hit record levels in 1956.

They remained high in early 1957, with the result that first quarter '58 — when the sales recession was intense — saw shipments 11% below the previous year.

In more recent months in 1958 the year-to-year decline has been less. The result: Total drop in the first eight months, compared with 1957, is 8% — indicating considerable relative improvement since the first quarter.

But compare 1958 with 1956 shipments. First quarter this year is 9% below that of 1956; first eight months are down 6½%.

August '58 — when shipments were 6% below last year—was 12% below August '56.

This situation will continue for the remainder of the year. Declines that may look comfortingly small compared with 1957 will seem considerably larger compared with 1956. Without exception, the months from August to December, 1956, show bigger newsprint shipments than the corresponding months of 1957.

This seems to throw cold water on hopes for better days for newsprint.

On the happy side, however, is the recent pickup in U. S. consumption — the major market factor.

U. S. consumption was off only moderately in July and was up fractionally in August — first monthly year-to-year increase in 1958. In comparison with 1956, July was off less than 6% and August down just 3%.

Wood pulp:

There has been little indication in the quantities of wood pulp produced and marketed of a change in the downtrend.

Any future improvement here no doubt will hinge on the possibilities of better exports and higher newsprint output. And these, in turn, will depend upon an upturn — or at least stabilization — of U. S. newsprint consumption.

Paperboard:

This has shown distinct recent strength. Output in the early months was well below both 1957 and 1956. But May production and sales were up sharply.

By the end of August paperboard output and sales were fractionally ahead of 1957, seemed to be heading for a year-end point no more than a few percentage points below record '56.

Fine paper:

Approaching mid-year, 1957, both output and shipments of fine paper were running between 5% and 10% ahead of 1956. But a moderate decline in the latter part of 1957 brought the year-end totals almost down to corresponding figures for 1956.

Encouragingly, production and shipments in early 1958 held close to those of the year before.

This left room for hope that last-half figures might be a little better than those a year earlier. This would bring full-year totals close to those of 1957.

THE WEST IS 30% NEARER

with Midland Superior Two-Driver Freightliners

Time is money . . . and you can save shipping time on freight to or from Alberta when you call Midland Superior. Midland Superior double-mans each cross-country trip . . . delivers door to door without re-routing or unloading in transit. Temperature control equipment protects your freight en route. Departures are daily and teletype service connects all branches. Small shipments or truckload lots . . . Midland Superior can cut your transit time 30%.

Call: TORONTO (CH 1-8525) MONTREAL (RI 8-8846) HAMILTON (JA 2-3501) CALGARY (CH 3-3477) EDMONTON (792071) LETHBRIDGE (FA 7-7100) VANCOUVER (HA 3192)

MIDLAND SUPERIOR Express LIMITED

HEAD OFFICE: 3605 MANCHESTER RD., CALGARY, ALTA.

Neon Products Buys Plastic Firm

Full ownership of **Plexolite Plastics Ltd.** of Vancouver has been acquired by **Neon Products of Canada Ltd.**, Vancouver. It will be associated with Neon Products in manufacture of plastic signs.

To pay for the acquisition, Neon Products issued 10,235 shares of treasury stock at a value of $133,055.

Name of **Neon Products of Canada (Eastern) Ltd.** has been changed to **Outdoor Neon Displays Ltd.**

Brazil Hydro Job Gets $73 Million

Brazil has received a $73-million loan from the **World Bank,** for the first stage of the largest hydro-electric project ever undertaken in Latin America.

Borrower is **Central Elétrica de Furnas S.A.,** 51% of whose preferred stock is held by **Sao Paulo Light Co.,** an affiliate of **Brazilian Traction, Light & Power Co.** of Toronto.

Power station, to be built at Furnas Rapids on the Rio Grande 200 miles north of Sao Paulo, will eventually have capacity of 1.1 million kw. About 460,000 kw will be installed as the first stage.

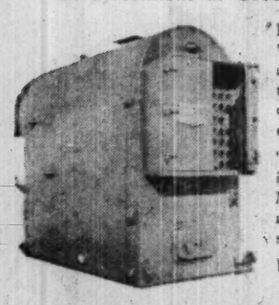
Three other hydroelectric stations are in operation or under construction on the Rio Grande. Upon completion of Furnas, about 20% of the Rio Grande's potential will have been realized.

When completed in 1963, project will bring an increase equal to half of currently available power capacity in central-southern Brazil, the country's most highly industrialized and cultivated region.

Common stock of Central Elétrica de Furnas, representing 50% of the equity capital, is held by the Brazilian Government, the State of Sao Paulo, and a corporation owned by the State of Minas Gerais. Brazilian Traction and other private companies own the greater part of the preferred stock.

"BROWNWELD BOILERS"

an Investment in Greater Heating Efficiency



Proven across the country, the "Brownweld" Boiler has set a standard for comparison. A large combustion space ensures complete burning of fuels. Low draft loss means greater economy of operation.

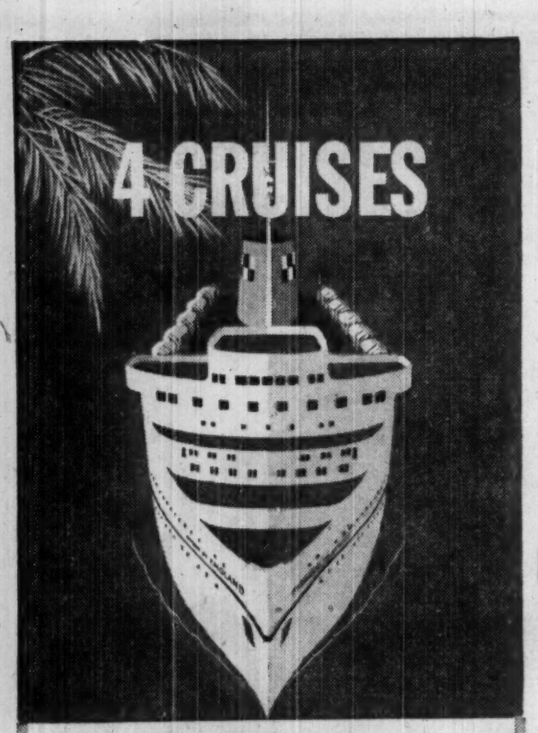
"Brownweld" Boilers are available in three types: FIREBOX, LOCOMOTIVE, SCOTCH DRY BACK and in a wide range of sizes for hand-stoking, gas or oil firing.

Write and ask for free catalogue B50.

CANADIAN BROWN STEEL TANK CO. LIMITED

BRANDON, MANITOBA

Sales Office, 1385 St. James Street, Winnipeg, Manitoba. Mackay-Morton (Saskatchewan) Regina and Saskatoon. Cumming Galbraith Ltd., Edmonton and Calgary, Alberta.



WEST INDIES SOUTH AMERICA

on the new

EMPRESS OF ENGLAND

Winter's wonderful when you cruise south on the air-conditioned Empress of England. You'll explore exotic cities . . . enjoy unique Canadian Pacific hospitality and cuisine . . . entertainment right from Broadway . . . and two swimming pools!

JAN. 14 and MAR. 13, from New York,

calling at San Juan*, St. Thomas†, La Guaira, Willemstad, Cristobal, Havana. 14 day cruises, from $350.

*Jan. 14 cruise only. †Mar. 13 cruise only.

JAN. 30 and FEB. 20, from New York,

calling at St. Thomas, Fort-de-France*, Bridgetown*, St. George's†, Port of Spain†, La Guaira, Willemstad, Cristobal, Kingston, Port-au-Prince, Havana. 19 day cruises, from $475.

*Jan. 30 cruise only. †Feb. 20 cruise only.

Full information from your local agent or any Canadian Pacific office.

Canadian Pacific

Group'd Income Assets Rise

Grouped Income Shares Ltd., Vancouver, during the quarter ended Aug. 29, added two new stocks and liquidated one. It increased holdings of 19 others. It added four new bonds, liquidated two and liquidated demand notes.

Net assets rose to $6,756,044, at Aug. 29, an increase of 18.7% from $5,691,677 at May 30, 1958.

Here are changes in detail for the quarter:

	Shares held at Aug. 29 1958	Change since May 30 1958
Gunnar Mines Ltd.	7,000	+400
Ford of Canada A.	2,100	+200
Dom. Tar & Chemical	8,000	+500
Massey-Ferguson Ltd.	10,000	+1,000
Imp. Invest. Corp. A.	7,000	+1,395
Traders Finance Corp.	1,300	+200
Western Plywood Co. B.	6,400	+500
Noranda Mines	1,800	+200
Steep Rock Iron Mines	4,800	+500
International Utilities	6,300	+500
Union Gas Co.	14,000	+11,200
Home Oil A.	3,333	+3,333
Trans-Canada Pipe Lines	2,500	+1,000
TransMountain Oil P. L.	1,100	+400
Abitibi Power & Paper	4,200	+800
Consolidated Paper	2,800	+300
Price Bros.	....	—600
St. Lawrence Corp.	7,000	+1,000
U.S. Stock		
Lockheed Aircraft Corp.	500	+500
Standard Oil of N.J.	3,100	+200
Notes & Bonds:	$	$
Alberta Wheat Pool Demand Notes	.....	—250,000
Home Oil Co., 5% 1971	.....	—50,000
Pacific Petroleums Ltd., 5½% 1973	.....	—50,000
Boeing Airplane Co., 4½% 1980	10,000	+10,000
Can. Delhi Oil, 5½% 1973	30,000	+30,000
Govt. of Canada, 3¼% 1965	325,000	+325,000
Husky Oil & Ref. Ltd., 5½% 1973	65,000	+65,000

No Labor Needed For Apple Crops

From Our Own Correspondent

HALIFAX — The Annapolis Valley apple crop is estimated at 1.2 million bu.—less than 50% of the 1957 crop.

Because of the small crop, there will be no recruiting of apple pickers across the province.

Only a possible 200 regular pickers will augment the Valley help. These 200 have been going to the Valley year after year.

by an advertisement in the Star Weekly

There it is, all done. The family car shining like a new pin. He's pleased with the job he's done. Pleased with the polish he used, too. He saw the advertisement for it while reading an article in the Star Weekly. He saw it, read it and was sold on trying this particular brand of car polish.

The Star Weekly's Readership Study No. 2 reveals a phenomenally high degree of readership and reader interest. For example, out of 34 items in one issue of the Magazine Section, 33 items were recalled by respondents. Because of continuing high readership, more than 500 leading advertisers use the Star Weekly.

SELL YOUR PRODUCT IN VOLUME AT LOW COST IN THE **STAR WEEKLY**

ANNOUNCEMENT

UPJOHN SALES MANAGER

L. L. VANCE

Whose appointment is announced by the Vice-President and General Manager, Mr. L. J. Haskett. Mr. Vance joined Upjohn as a salesman.

FERMAC PRINTERS & STATIONERS 230 Adelaide St. W., Toronto
Creative PRINTING
BROCHURES
Letterheads
EM. 4-5311
OFFICE FORMS

Dividends for 10 Months Running 1.7% Below 1957

Dividend payments and declarations in the first 10 months of this year are only slightly less than those in the same period last year.

Preliminary declarations and payments for October bring the total to 1.7% below the final total for the first 10 months of 1957.

The October figure so far is $56,359,474 on 305 issues compared with the final total for October last year of $57,639,640 on 320 issues.

Greatest strength is shown by the financial group. Declarations for October to date total $5.7 million on 70 issues, 9.5% higher than the $5.2 million paid on 59 issues in the same month last year.

Dividends on 227 industrial companies' and utilities' shares totaled $46.3 million for October, 2.6% lower than the $47.5 million paid on 244 issues last year.

Dividends dropped 28.9% in the mining group. Declarations totaling $1.3 million have been made by five mines, compared with $1.8 million paid on five issues in 1957.

A slight year-to-year increase is shown for the oil group. Payments for October on 12 stocks amount to $3,085,828; last year $3,083,798 was paid on 12 issues.

Here is a list of payments for October as compiled by FP from records available at Oct. 6.

Monthly Dividends

	1958	1957
	$	$
January	74,662,659	77,112,572
February	37,686,842	41,032,858
March	88,886,022	87,654,033
April	60,750,253	58,751,760
May	27,835,094	34,787,795
June	90,462,873	95,836,787
July	72,140,775	66,580,197
August	36,179,893	34,454,828
September	84,879,094	87,029,657
October	56,359,474	57,639,640
Total	630,004,779	640,880,127

Industrials and Utilities

Company:	Rate	Date	Amount
	$		$
Abitibi P. & P.	.42½q	1	1,769,368
Do. pfd. 4½%	.28½q	1	139,034
Acadia-Atlantic	.12½q	1	75,000
Do. A	.30q	1	90,000
Anglo-Cdn P. & P.	.50q	7	6,321,135
Do. $2.80 pfd.	.70q	20	107,633
Anglo-Nfld. Dev.	.05	3	274,921
Anthes-Imp.	.35	15	40,670
Do. pfd.	1.31¼q	1	12,656
Arg Equip.	.25q	15	131,634
Ashdown Hdwre. A	.15q	1	1,230
Do. B	.18q	1	65,757
Ash Temple 6% pfd.	1.50q	1	3,750
Do. 6½% pf.	.16¼q	1	4,550
Do. com.	.20	1	20,000
Atlantic Whole. A	.25	1	18,750
Do. B	.25	1	1,875
Beatty Bros.	.10	1	41,700
Beaver Lumber A	.25q	1	19,392
Do. pfd.	.35q	1	22,593
Do. com.	.25q	1	195,923
Belgium Stores 5% pfd.	.25q	1	2,696
Bell Telephone	.50q	15	9,040,142
Biltmore Hats	.10q	15	4,000
Do. A	.25q	15	10,900
Bowater Corp. of N.A. 5% pf.	.62½q	1	214,899
Do. 5¼% pf.	.65¾q	1	101,382
Brazilian Tr. pfd.	1.50q	1	3,901
Do. 5½% pf.	.69q	1	207,000
B. C. Electric 4% pfd.	1.00q	1	120,000
Do. 4½% pfd.	1.19q	1	314,319
Do. 5% pfd.	.62q	1	310,000
Do. 4¼% pfd.	.56q	1	168,000
Do. 4¼% pfd.	.53q	1	116,600
B. C Power	.35q	15	1,592,126
B. C. Sugar	.25q	31	200,000
B. C. Tele. ord.	.50q	1	600,000
Do. 6% pf.	1.50q	1	15,000
Do. 5½% pf.	1.43q	1	143,000
Do. 4¾% pf.	1.19q	15	89,250
Do. 4½% pf.	1.12½q	1	56,250
Brookfield Dairy pf.	.25s	1	7,950
Building Products	.45q	1	217,523
Burlington Steel	.15q	1	42,000
Burns & Co.	.15q	29	115,062
Calgary Pwr.	.30q	15	525,000
Do. 5% pf.	1.25q	1	50,000
Do. 4% pf.	1.00q	1	50,000
Do. 4½ pf.	1.12½q	1	33,750
Canada Bread B pfd.	.62½q	1	15,625
Can. Carbon & Rib.	.40	1	12,662
C. Crush. & C. S. 6% p.	1.50q	1	6,313
Can. Flooring B	.25q	1	10,237
Can. Iron Fdries.	.37½q	1	270,845
Do. pfd. 4½%	1.06¼q	15	51,326
Can. Packers A	.87½q	1	350,000
Do. B	.87½q	1	700,000
Can. Safeway 4.40% pf.	1.10q	1	103,147
Can. Steamships c.	.70	15	840,000
Cdn. Arena	2.00		39,000
Cdn. Brew.	.37½q	1	1,156,094
Do. 5% pf.	.31¼q	1	121,551
Cdn. Can. A	.18¾q	1	87,776
Cdn. Fairb. pfd.	1.50q	15	15,438
Cdn. Ice Mach. A	.20q	1	5,000
Cdn. Drawn Stl. pf.	.15q	15	22,176
Cdn Gen. Electric	2.00q	1	377,690
Cdn. Indust. Ltd.	.10	31	865,308
Do. pfd.	.93¾q	15	43,594
Cdn. Vickers	.25	15	136,250
Cdn. Westinghouse	.25q	1	152,633
Consol. Pap.	.40q	15	2,053,066
Consumers' Gas	.20	1	291,204
Do. 5¼% pf.	1.37½q	1	68,750
Craig Bit	.03q	10	11,600
Crown Zell. (Can.)	.25	1	90,301
Cunningham Drug pf.	1.37½	1	4,307
Dom. Corset	.25q	1	34,375
Dom. Forge 6% pf.	1.50q	1	12,210
Do. com.	.25q	1	25,000
Dom. Foundries	.25q	1	798,600
Do. pfd.	1.12½q	15	71,126
Dominion Glass	.50q	15	212,500
Do. pfd.	.17½q	15	45,500
Dom. Oilcloth	.50q+.10	31	456,000
Dom. Steel & Coal	.25q	28	736,693
Dom. Tar pfd.	.25q	1	75,000
Dom. Textile	.15q	15	386,396
Do pfd.	1.75q	15	31,959
Dow Brew.	.37½q	1	270,515
E. Bak's.	.50a	15	15,000
Do. 4% pf.	1.00q+1.50	15	12,500
Enam. & Heat. A	.10q	31	11,800
Essex-Packers 5% pf.	.62½q	2	5,606
Estabrooks pfd.	.26q	15	10,794
Fashion Craft pf.	1.25q	1	12,125
Foundation Co.	.12½	17	146,186
Fraser Cos.	.30q	27	667,531
Galt Malleable 6% pfd.	1.50q	1	3,000
Do. 6½% 2nd pfd.	1.56q	1	3,120
Gatineau Pwr	.35q	1	581,868
Do. 5% pfd.	1.25q	1	152,450
Do. 5½% pfd.	1.37q	1	48,300
Goodyear Tire pfd.	.50q	31	70,771
Goulds Pumps 5% pfd.	1.25q	17	13,081
Greening Wire	.05q	1	28,500
Growers Wine A	.10q	31	13,762
Hahn Brass	.25q	1	12,500
Do. A	.20q	1	6,000
Harding Carpets	.12½	1	29,338
Hayes Stl.	1.00	7	140,000
Hendershot Paper	+	1	
Do. pfd.	1.50q	1	10,500
Horner, F. W. A	.12½q	1	7,055
D. H. Howden pf.	1.37½	15	9,577
Hughes-Owens A	.30q	15	10,000
Do. B	.10q	15	10,000
Do. 6.4% pfd.	.40q	15	6,640
Ing. Mach. & Tool	.12½q	1	10,255
Do. 4% pf.	1.00q	1	1,775
Ingram & Bell pf.	.15q	15	9,333
Int. Bronze	.15q	15	15,000
Do. 6% pfd.	.37½q	15	37,500
Inter. Milling pfd.	1.00q	15	43,075
Jam. Public Service	.41	1	55,688
Do. pfd.	1.75q	1	13,125
Journal Pub.	.20q	15	20,000
Labatt, John	.30q	1	376,499
Lewis Bros.	.15q	13	22,515
Lower St. Law. Pr. com.	.50s	1	100,000
Lowney Co., W. M.	.25q	15	51,796
Mailman Corp. 5% pf.	1.25q	31	15,394
Man. Sugar 6% pfd.	3.00s		45,000
Maple Leaf Grds.	.30q	15	44,135
Maple Leaf Mill. pfd.	1.25q	1	23,949
Maritimes Accep 6% pf.	.15q	15	9,300
Maritime Tel. & Tel.	.20q	15	330,388
Do. 7% pfd.	.17½q	15	26,250
Maxwell Ltd.	.15	1	45,173
Do 6% pfd.	1.50q	1	15,000
Melchers Dist. pf.	.30s	31	37,500
Mersey Pap. pf.	.68¾q	1	135,750
Mitchell, J. S.	.31¼q	1	18,750
Mod. Containers A	.25q	1	11,745
Monarch Knit. pf.	1.12½q+■.37½	1	6,180
Montreal Locomo.	.25q	1	175,000
Moore Corp.	1.45q	1	974,171
Do. A & B pfd.	1.75q	1	4,727
Morrow Screw 4% pf.	1.00q	1	650
Mt. Royal Dairies	.15q	1	15,000
Do. pf. 5%	.31¼	15	6,820
Mt. Royal Rice	.25q	31	15,000
F. C. Myers 5% pf.	1.25q	2	2,500
Do. 5% Jun. pf.	.01¼q	2	750
National Grocers	.15q	1	44,378
Do. pfd.	.37½q	1	32,631
Nat. Hosiery	.05q	1	713
Do. B	.08q	1	28,401
Nat. Steel Car	.40q	15	280,800
Neon Prod.	.15q	24	53,701
New Bruns. Tel.	.15q	15	347,999
Niagara Wire	.15q	1	17,550
Do. B	.15q	1	52,650
N. S. Lt. & Pwr.	.15q	1	188,608
Northland Util. 5% pf.	1.25s	1	6,250
Nor. Que. Pwr.	.40q	24	85,000
Nor. Tel.	.02½q	15	25,063
Do. 5¼% pf.	.27½q	1	20,625
Oakville Wood Spec. pf	1.50q	1	3,019
Ocean Cement	.15	1	72,664
Office Spec.	.20q	1	34,636
Ogilvie Flour	.25q+.50	1	560,767
Oland & Son A	.40s	1	32,000
Ont Jockey Cl. 6% pf.	.15q	15	43,527
Do. 5¼% pf.	.13¾q	15	21,995
Pac. Coast Term.	.50s+1.50	15	120,000
Page-Hersey Tubes	.22½q	1	731,959
Power Corp. 1st pf. 4½%	.57q	15	68,400
Do. 2nd pfd. 6%	.75q	15	89,593
Prov. Trans. 5% pf.	.62q	1	17,522
Que Telephone	.45	1	261,186
Do. A	.37s	1	291
Do 5% pfd.	.25q	1	48,287
R & M Bearings A	.27q+.10	1	2,590
Rapid Gr. & B. 6% pf.	1.50q	1	6,000
Renold Chains A	.27q+.05	1	5,683
Riverside Silk Mills A	.25q	1	7,500
Robertson, P. L. com.	.20q	1	26,134
Do. $1 pf. pf.	.25q	1	32,667
A. V. Roe	.20q	2	1,622,388
Do. pfd.	1.43¾q	2	201,250
St. Lawr. Corp.	.25q	24	1,113,677
Do. 5% pf. A	1.25q	24	182,189
Shawinigan 4% A	.50q	..	200,000
Do. 4¼% B	.56¼q	..	56,50
Sher. Williams pfd.	1.75q	..	60,550
Silverwoods Dairies A	.15q	1	94,650
Do. B	.15q	1	66,182
N. Slater pfd.	.53q	13	4,733
Smith, H., Paper	.30q	31	522,825
Do. pfd.	.50q	31	80,000
Somerville pfd.	.70q	1	26,761
South Can. Pr. pfd.	1.50q+1.00	15	177,222
Stand. Paving	.37½q	1	106,857
Standard Radio A & B	.15q	10	32,250
Stedman Bros.	.30q	1	122,150
Tamblyn, G.	.15q	1	42,487
Do. 4% pfd.	.50q	1	5,000
Tip Top Canners A	.25s	1	5,841
Toronto Iron	.25q	1	9,650
Do. A	.25q	1	23,500
Universal Cooler A	.150q	1	6,000
Do. B pf	.12½q	1	6,250
Universal Controls	.25	31	484,169
Viau Ltd.	.50q	1	29,168
H. Walker-Good.-W.	.35q	15	3,040,817
W. Koot. Pwr. 7% pf.	1.75q	1	8,750
Western Grocers A	.50q	15	33,886
Do. pfd.	.35q	15	20,900
Western Plywood A	.25s	1	20,000
Do. B	.15q	15	63,597
Westminster Pap. A	.12½q	31	1,932
Do. B	.17½q	31	84,794
Geo. Weston A	.15q	1	205,782
Do. B	.15q	1	205,769
Willson Stat.	1.00	1	50,000
Wood Alexander pf.	1.50q	1	5,019
John Wood Ind. A	+	..	
Do. B	+	..	
Do. 4¼% pf.	1.12½q	1	26,570
Wool Combing Corp.	.12½	15	6,500
Total			46,279,939

Mining Companies

Bralorne	.10q	27	124,760
Campbell Red Lk.	.07½q	28	299,963
Cassiar Asb.	.10	20	380,000
Dome Mines	.17½q	30	340,667
United Keno	.06	20	148,200
Total			1,293,830

Oil Companies

Brit. Amer. Oil	.25q	1	2,529,027
Calgary & Edmonton	.05s	15	120,753
Cdn. Husky Oil 6% pf.	.75q	1	53,523
Cdn. Oil 4% pfd.	1.00q	2	10,000
Do. 5% ser. pfd.	1.25q	2	62,500
Do. 8% pfd.	2.00q	2	40,000
Int. Nat. Gas 5% pf.	.25q	15	62,500
McColl-Front. pfd.	1.00q	20	40,000
North Star 5% pf.	.62½q	2	73,563
Royalite 5½% pf.	.32812 5q	1	53,830
Supertest Pet. 5% pf.	1.25q	15	26,130
Superior Propane pf.	.35q	1	14,000
Total			3,085,828

Financial

All-Cdn. Div. Fd.	.06q	15	103,184
Br. Amer. Assur.	1.00q	1	75,000
Brit. Mtge. & Tr.	1.00	6	10,150
Canada Life	1.15q	1	115,000
Can. Perm. Mtge.	.80q+.10	1	350,000
Cdn. Gen. Invest.	.30q	15	288,282
Canafund	.55	31	348,099
Central Can. Inv.	.25q	1	68,750
Chartered Trust	.35q	1	31,500
C'wealth Int. Corp. Ltd.	.06q	15	102,333
Cons. Finance A	.25	1	3,440
Corp. Invest. A & B	.06q	21	76,011
Crown Life	.60q	1	60,000
Crown Trust	.20q	1	30,000
Dupont of Can. Sec.	.10	31	722,689
Do. 7¼% pfd.	.93¾q	15	43,594
East. Can. Sav. & Loan	.20q	1	30,000
East. Trust	.25	1	31,250
Gen. Trust Co.	1.25q	15	20,969
Gt.-West Life	1.10q	1	110,000
Guarantee Co. of N.A.	1.50q%3.00q	15	60,174
Guaranty Trust	.20	15	60,000
Huron & Erie Mtge.	.40q	1	120,000
Imp. Invest. 6½% pf.	.31¼q	31	13,614
Do. 5½% pf.	.26¼q	31	5,393
Imp. Life	.50q	1	50,000
Int. Holdings	.40	31	390,608
Invest. Found.	.60q	15	42,000
Do. pfd.	.75q	15	15,260
Laurentide Accept. A	.15q	31	28,973
Do. B	.15q	31	15,000
Do. 5% pf.	.25q	31	6,063
Do. $1.20 pf.	.30q	31	14,160
Mtl. City & Dist. Bk.	.45q	1	90,000
Mtl. C. & D. Trustees	.05q	1	10,000
Mtl. Trust	.30q	15	120,000
Mut. Inc. Fd.	.06 1¼q	15	95,579
National Trust	.40q	1	120,000
Nor. Cdn. Mtge. pf.	.37½q	15	4,963
Ont. Loan & Deb.	.25q	1	62,500
Premier Trust	2.00q	1	23,034
Sterling Trusts	.40q	4	18,804
Sun Life	1.25q	1	250,000
Third Can. Gen. Inv.	.10	15	183,719
Tor. Gen. Trusts	.37½q	1	56,250
Toronto Mortgage	1.25q	1	24,662
Toronto Saving	.25q	3	25,000
Traders Bldg. Assn.	.40q	15	25,000
Traders Finance A	.60q	1	607,537
Do. B	.60q	1	144,000
Do. 4¼% pfd.	1.12½q	1	39,375
Do. 5% pfd.	.50q	1	61,324
Tr. Can. Corp. 4½% pf.	.22½q	1	5,625
Do. 5% pf.	.25q	1	15,000
Do. 6% pf.	.30q	1	1,500
Union Accept.	.05q+.05	1	20,359
Do. 2nd pf.	.15q	1	28,985
Un. Fuel Inv. 6% pf. A	.75q	1	67,500
Un. Loan Corp. 5% pf.	.62s	..	9,510
Waterloo Tr. & Savs.	.32½q	1	40,625
Western Assur.	.70q	1	107,300
Total			5,700,177
Grand Total			56,359,474

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dDivd. deferred.
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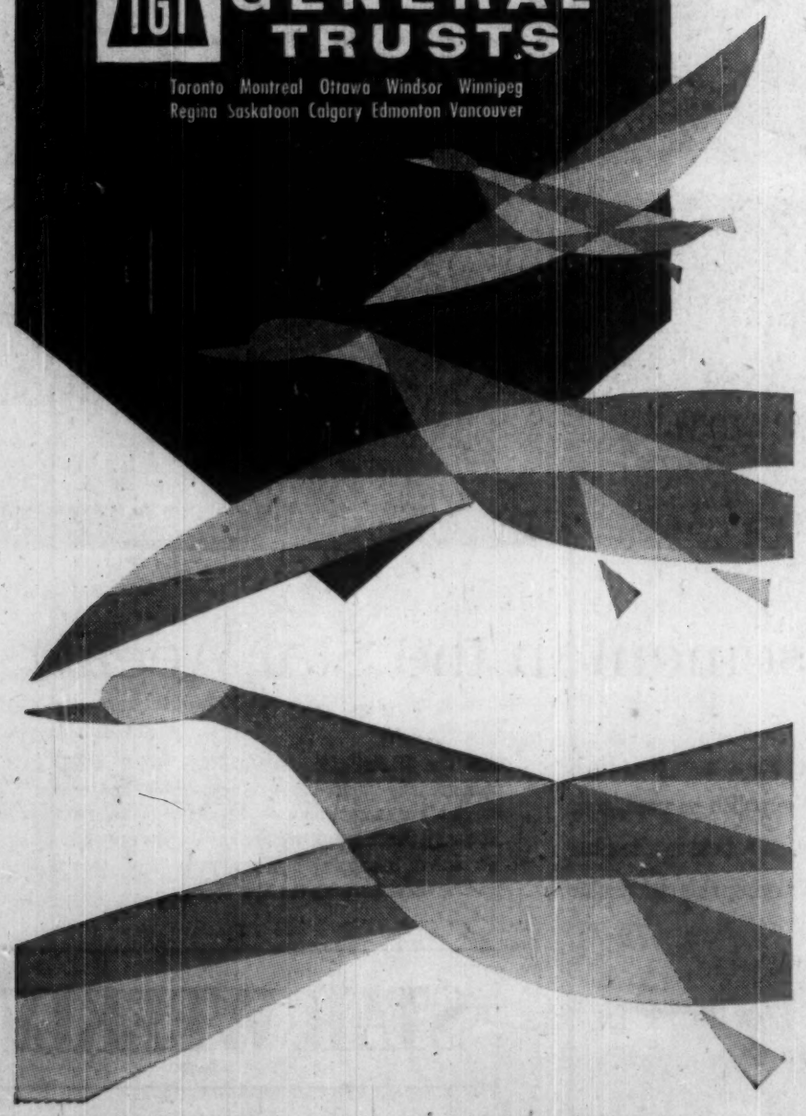

A. J. Trebilcock, TSE Head, Retires

Resignation of Arthur J. Trebilcock as president of the Toronto Stock Exchange (FP, April 12) has been announced. Mr. Trebilcock will still be connected with the Exchange in an advisory capacity.

As suggested earlier, no successor is being appointed. Chairman J. G. K. Strathy will assume the additional duties of president, while Executive Vice-President W. L. Somerville, Jr., will be senior executive officer.

Mr. Trebilcock directed the activities of the TSE and one of its predecessors, Standard Stock & Mining Exchange, for 29 years. He became first paid president of the TSE in 1956.

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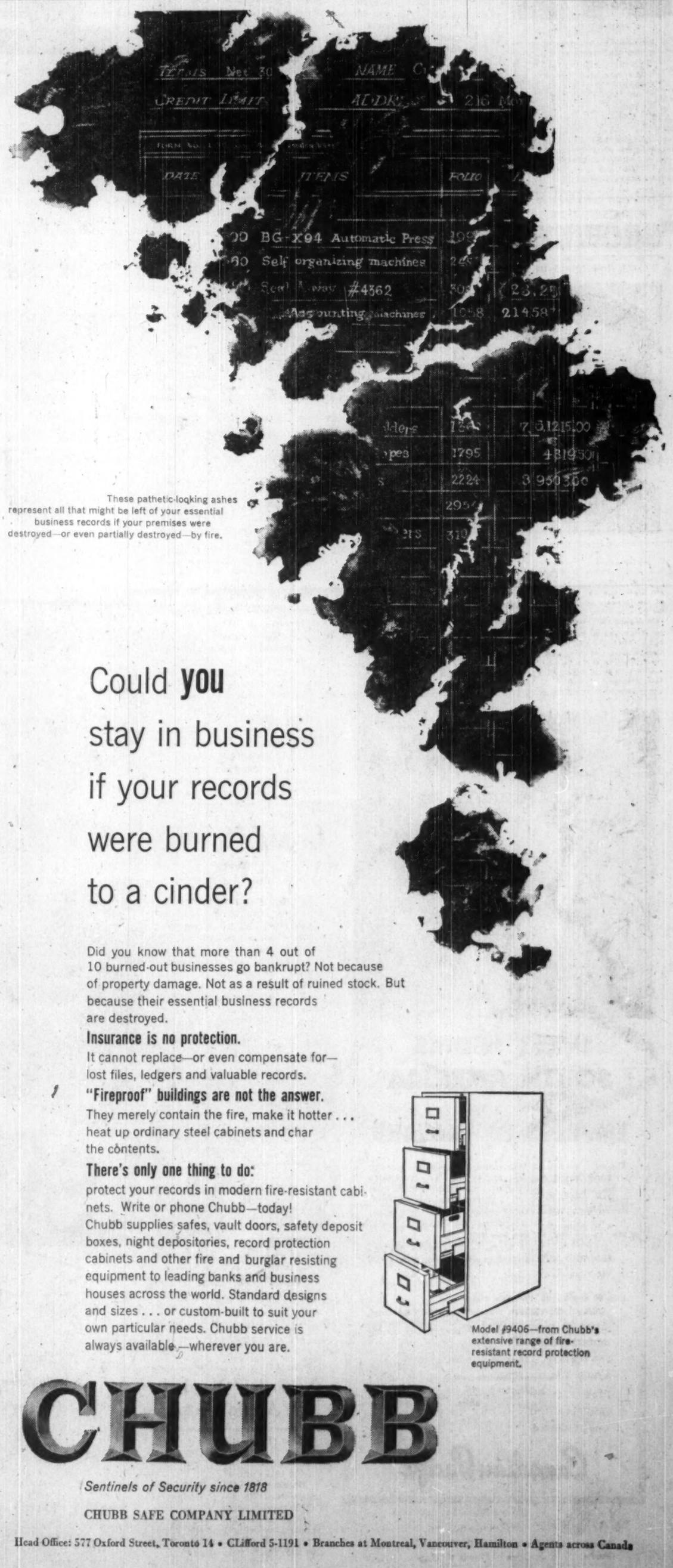

These pathetic-looking ashes represent all that might be left of your essential business records if your premises were destroyed—or even partially destroyed—by fire.

Could **you** stay in business if your records were burned to a cinder?

Did you know that more than 4 out of 10 burned-out businesses go bankrupt? Not because of property damage. Not as a result of ruined stock. But because their essential business records are destroyed.

Insurance is no protection.
It cannot replace—or even compensate for—lost files, ledgers and valuable records.

"Fireproof" buildings are not the answer.
They merely contain the fire, make it hotter . . . heat up ordinary steel cabinets and char the contents.

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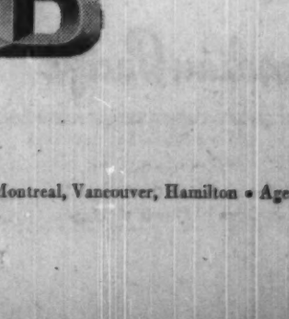

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Letter from London

The City, rightly or wrongly, has decided that the Tories will get in again...

By ADELPHI II

THIS IS the season of political conferences.

The Socialists are holding theirs at Scarborough, the northern seaside resort made famous by Osbert Sitwell.

On the very first day, the chairman, Tom Driberg, struck a resounding blow for the success of the Conservatives at the next general election.

He said that the Conservatives look upon themselves as **Herrenvolk.**

As half of the adult population of the United Kingdom are Conservatives, the **Herrenvolk** cannot be an exclusive caste, and therefore the intended smear was even more foolish than those which customarily emanate from Socialist sources.

In the script which was circulated in advance to the press, Mr. Driberg equated the Conservatives with the Nazis.

No doubt pressure was brought to bear on him to suppress that, but the Conservatives regret that he did so.

If it had been spoken from the platform, a Conservative victory at the next election would have been as certain as anything can be in politics.

Gutter-abuse won the Tories votes

Aneurin Bevan's notorious piece of gutter-abuse about the Conservatives being lower than vermin was worth masses of votes to them at the subsequent general election.

It was a pity that Randolph Churchill was not in the audience.

If he had been he would probably have dressed Mr. Driberg down in the press as he did once on television.

Mr. Driberg is an odd personality who is so vulnerable that it is surprising that the Socialists should elevate him to high office in their councils.

Mrs. Barbara Castle was cordially applauded whenever she appeared on the scene, as a reward, presumably, for blackwashing the British soldiers in Cyprus.

She is one of that large number of Socialists who will greedily swallow any story that is discreditable to her own country.

She would have us believe that the murderers controlled by Eoka are kind-hearted innocents who are suffering at the hands of our brutal and licentious soldiery.

On the face of it, that description of what is happening is fatuous and has never had any chance of being accepted in London, at any rate.

In the capital there are hundreds of Cypriots, who, to put it mildly, are not particularly liked, respected or trusted.

* * *

More deep looks at conduct of war

The Muse of History is turning her attention to the book that was compiled from Lord Alanbrooke's war diaries, which by a fortunate chance he had preserved intact.

When the book in question — The Turn of the Tide, by Sir Arthur Bryant—was published, it induced in many reviewers and readers a distinct sensation of nausea, on various counts.

Literary circles are looking forward with eagerness to the book (shortly to be published) by a well-known journalist, David Divine, who acquitted himself courageously at Dunkirk and was decorated.

Mr. Divine, according to reports, shows that The Turn of the Tide teems with so many inaccuracies that it is quite impossible to regard it as in any way historical.

Soldiers especially will find Mr. Divine's book pleasant reading, for it completely rehabilitates Lord Gort.

Lord Gort was an extremely able commander, and the army reveres his name.

He was safely dead when the Alanbrooke diaries were given to the world.

* * *

Another military figure has been prominent in our minds.

The overwhelming "oui" which was returned on General de Gaulle's referendum evoked an enormous sigh of relief from the majority of Britons.

If he had been repudiated, nothing could have saved France from civil war and ultimately from Communism, which would have meant that Europe would in due course have fallen into the Kremlin's lap.

Therefore, it was only to be expected that the Communists here should furiously assert that General de Gaulle's triumph was a Fascist coup.

Everybody is a Fascist who does not slavishly answer the crack of the Kremlin whip.

* * *

Prime minister has been meeting people

Politics in France recently have been too exciting to be comfortable for Frenchmen, and not only for Frenchmen.

Here in Britain, except for the conferences, politics are in the state of suspended animation, which is usual during the recess.

The prime minister is on a "meet the people" tour in the Midlands and he is enjoying it.

He gets on easily and naturally with all sorts and conditions of men and women, and beyond question he is the most popular of our politicians.

Mr. Macmillan benefits from having once been something other than a politician.

For many years he worked in the family publishing business, which is indeed a family affair, for the employees are treated as members of a family.

At the head of it is the prime minister's elder brother, Daniel.

The brothers are firm friends with a mutual admiration for each other.

Daniel Macmillan is never in the limelight.

He could be if he wished, as he is in the front rank of businessmen, he has an attractive personality, and he is a positively brilliant conversationalist, witty, benign and erudite.

He could have had a title long ago if he had wanted one — several publishers have been knighted—but he is still plain Mister.

Unostentatiously, he is delighted that the prime minister has done so well.

* * *

Everybody's bullish and trade is brisk

The stock markets are doing well, too.

All the financial commentators are bullish, and that mercurial section of the community, the brokers and jobbers, are as happy as sandboys are supposed, for some recondite reason, to be.

It is possible that the bullishness is a little excessive.

Trade all round is brisk and there is no sign of a serious setback.

But there are pockets of unemployment and a slight falling-off in business has occurred.

No two opinions are possible about that.

The City, rightly, or wrongly, has decided that the Conservatives will get in again when they go to the country, which means, of course, that the Socialists' ruinous schemes for more nationalization will be indefinitely postponed.

Hence the bullishness.

Some non-political observers believe that if the Tories win next time they will be in for a decade.

They base their belief on the fact that the senior Socialists, such as Herbert Morrison, Hugh Dalton and Chuter Ede, will have vanished from politics by 1962 (if not earlier), leaving nobody of any considerable calibre behind them as successors.

The Socialist Party in 1958 is not rich in brains.

Four or five years hence it will be poorer still.

ANNOUNCEMENT

RCS DIRECTORS

GAVIN C. CLARK

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F. Grenville Rolph, President of Rolph-Clark-Stone, Limited, Toronto, Graphic Arts firm, with branches in Montreal and Halifax, has announced the election to the Board of Directors of Gavin C. Clark and Frank M. Rolph, both of Toronto.

Mr. Clark, age 36, son of C. T. Clark, RCS Vice-President and a grandson of one of the founders of the firm, joined the Company in 1947. In 1957 he attended the Harvard School of Business Administration at Boston, Mass. In September 1957, he was appointed Assistant to the President.

Mr. Rolph, son of the President and great-grandson of one of the founders, joined RCS in 1948 and has worked in the Litho Press Room, Camera Room, Bindery and Graphic Card Company, before joining the Litho Sales Staff. In 1949-50 he took special training at the Racine Lithographic Institute at Racine, Wis. He was appointed Assistant Sales Manager, Litho Division, in 1956 and in September 1957 became Sales Manager.

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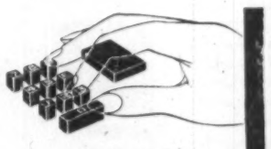
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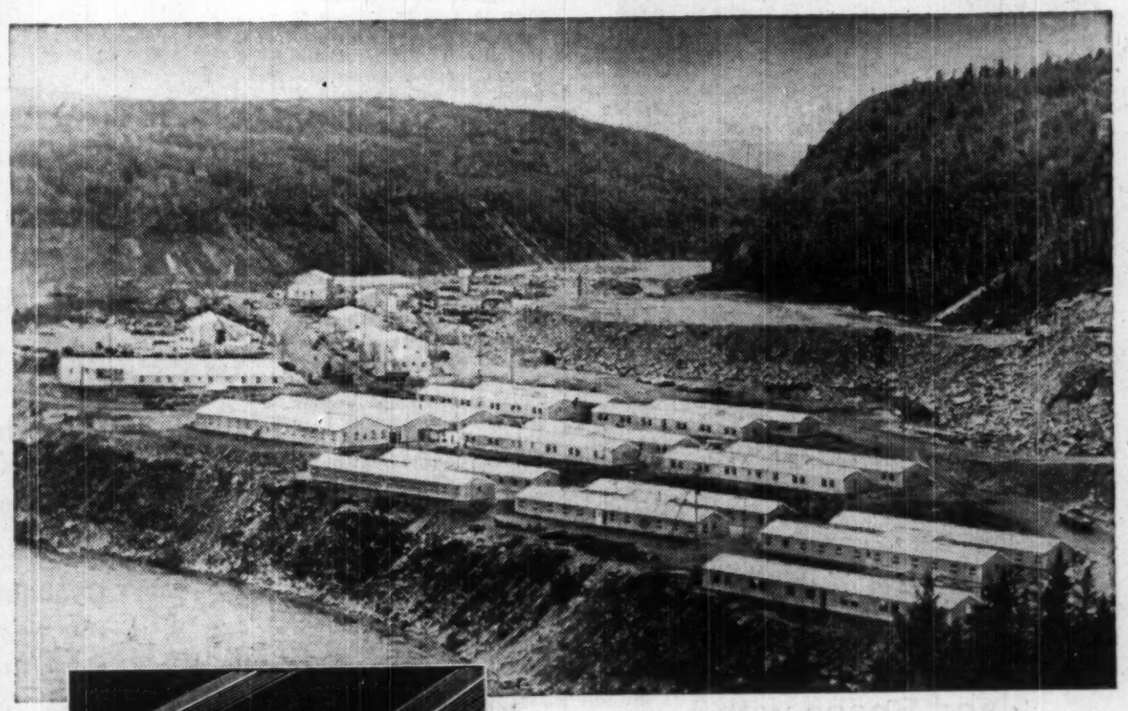

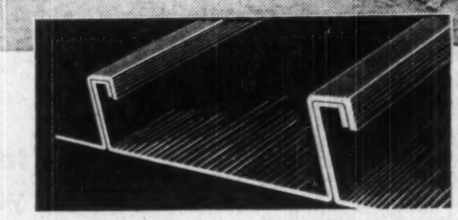

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ANNOUNCEMENT

A. G. ASPLIN

has been appointed general manager of the Horton Steel Works Limited. He has been with the company for 19 years during which time he worked his way from draftsman through to manager of operations, all at Fort Erie. He also is vice-president and a director. Born in Lethbridge, Alberta, in 1917, he attended public school and high school there, graduating from McGill University with a degree of Bachelor of Engineering in 1938. He also served in the RCAF from 1942 to 1945. Mr. Asplin has taken up residence in Toronto.

NEW DRILL HALL
From Our Own Correspondent

HALIFAX — Eastern Woodworkers of New Glasgow has been awarded a $423,718 federal contract for a drill and recreation hall at Gander, Nfld. The order was among several totaling over $500,000 awarded to Pictou County industries.

EXPORT "A"
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CIGARETTES

Will We Lose Top Scientific Skills?

How Change In Air Plans Can Hit Us

The Industrial Foundation on Education was formed three years ago by Canadian businessmen to assist university financing and to encourage higher education, particularly in the sciences and engineering. Stanley Deeks, executive director of the Foundation, comments here on some of the possible effects of the change in Canada's air defence policy.

By STANLEY N. DEEKS
Executive Director,
Industrial Foundation
on Education

Peacetime scientific and technological progress has, to an important degree, depended on our defence operations.

The existence of a defence project in a country has a far-reaching impact upon industrial activities, some of them with direct application to civilian uses.

Just one of the most notable examples is the development of titanium and its possible application to the transportation industry. This material, the development of which was pioneered in Canada for the Iroquois Engine, is as strong as steel, but weighs only a little over half as much. In transportation equipment, the increased payload for the same gross weight would provide a staggering improvement in the cost of transporting goods.

Without a highly qualified and skilled scientific and technological working force employed upon providing for our defence requirements, we would never have participated in such discoveries. Improvements such as this would have to be purchased from our competitors in world markets.

Under the new Canadian government policy, we may have what appears to be a temporary advantage in not carrying on with our own design and development work. In the final analysis, it will take far more out of our pockets than it will put into them.

A great lack in this country in this age of science and technology has been our tendency to use "hand-me-down" scientific discovery and "second-hand" technological advances made in other countries.

We can never retain our better qualified people if they are not provided with challenging employment. Depending on someone else to do our design and development work for us will never accomplish this.

It was not such a second-class setup that was envisaged by Canadian business and industry when, a couple of years ago, it took an active interest in the improvement of Canada's educational system.

Our great concern should not be with temporary advantages that may accrue to us in obtaining weapons from the United States, but in ensuring that this country continues to utilize its highly qualified scientific and technological working force in challenging employment. Such action must inevitably have a great impact upon the future development of our country as a mature industrial and economic power.

The aviation industry with its supporting electronics, missile, and other industries, has employed the very best of the scientific and technological working force available in this country.

They are operating on the frontiers of technological knowledge and have demonstrated that they are second to none in this respect. The possible cessation of designing and developing our own military products eliminates the highly technical and creative work in which these employees are engaged.

There is no other endeavor in this country that will challenge the capabilities of the more able members of this force. They have no alternative but to seek employment for their highly developed qualifications and skills outside Canadian borders.

A group of about 700 engineers and highly skilled engineering staff are already looking over the U. S. border for opportunities denied to them in Canada because of the cancellation of the Astral control and Sparrow missile system for the Arrow airplane.

The notion that this staff might be employed on a licensed design of the Bomarc Missile is a fallacy for two reasons.

Firstly, the Bomarc missile has not matured sufficiently to be licensed even if we were enabled to overcome the legal complications. No product of this type can be successfully licensed until it is successful in initial production at least. While the initial model of the Bomarc of 200-250 mile range is in production, the later version in which Canada is interested couldn't possibly be ready for licensing by next spring.

The staff which we should be most earnestly seeking to retain and employ would have long since been dispersed with no hope of ever reorganizing them by the time the Bomarc would be ready for manufacture in Canada.

Secondly, the type of engineering work required for a licensed design is, in the main, quite different from the type of work required by original design and development. Our most highly qualified technical staff would not be interested in such work. All the advantages of an original design would as well be lost if we engaged in a production engineering endeavor only.

Much of the incentive that has been responsible for the upsurge of interest in science and technology in our schools has been based on the belief that this country proposed to be a scientifically and technologically mature power. If the highly qualified core of workers in these areas is removed from our industrial complex, we largely preclude the possibility of this taking place. **Much of the need to concern ourselves with promoting greater performance in scientific and technological education disappears.**

Past experience would almost definitely indicate that a licensing arrangement does not cost less than doing our own design. There are great additional disadvantages:

- Not having the project under our own control.
- Obtaining the finished product much later (a serious matter in our rapidly changing environment).
- Depriving Canadian employees of the most desirable and challenging employment opportunities.

Our rapidly changing activities have increasingly emphasized the fact that our ability to provide adequately for our military requirements will be vested to a far greater extent in the effectiveness of our scientific and technological working force than it will be in maintaining large forces of army, navy and air force personnel.

There is a rapidly increasing transition from the use of men to the use of machines for our defences. These trends emphasize the great importance of maintaining this highly specialized working force at top working condition continually.

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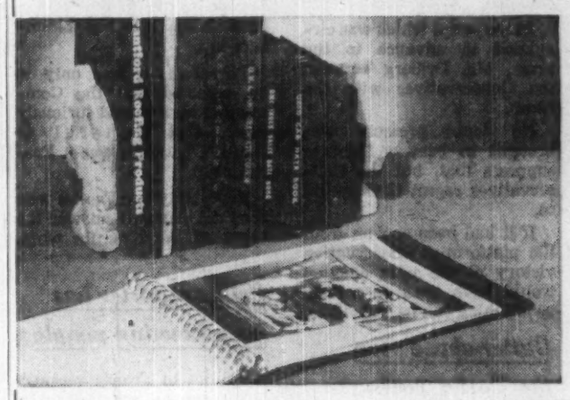

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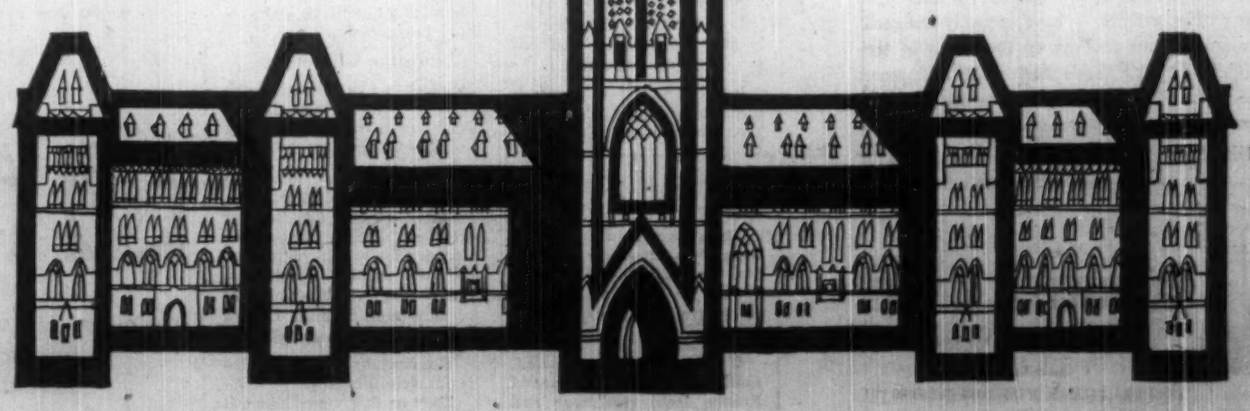

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ANNOUNCEMENT

G. O. RUI

The appointment of Mr. G. O. RUI as Manager of the Calgary branch of Gairdner & Company Limited is announced. Mr. Rui had extensive experience in retail and institutional sales in Toronto head office and Winnipeg branch before assuming this post.

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PATENTS & BUSINESS

Don't Get Caught In a Patent Trap

A very tricky set of laws is wound around these protections . . .

By RICHARD OGDEN

If you're about to market a new product...

If you're snapping up the rights to a new line of items...

If you're buying an invention...

Watch out for patent and trademark trouble.

The tricky set of laws wound around these protections can drag you into trouble faster than a five-ton truck.

In the past year alone, about 50 writs have been issued in Canada's Exchequer Court over patent and trademark cases.

Just selling an item that looks too much like your competitor's can drop you in the law's mesh (**FP**, Sept. 13).

What's the secret? Check, then check again.

And then check once more if you:

- **Want to export** new lines.
- **Plan to distribute** imported articles.

The man to do this checking is the patent attorney.

If you think it's an easy job, just consider these implications:

- Is there a Canadian patent on the item?
- Is there even a patent pending?
- Is there a patent in the country to which you're exporting?
- Does the product invite a charge of "unfair competition" under the Trademark Act?

Most patents last for 17 years.

But even after they have expired, there's no assurance that you won't be faced with legal action for trademark violation.

The Canadian Patent Office, Ottawa, will tell whether there is already a patent here for a similar article.

It will also say whether there is a patent pending.

In either case it merely gives a plain yes or no, without any elaboration. Charge for both services is $10.

The CPO can tell whether there has been a patent in the U. S. Its files on U. S. patents go back to 1931.

If you are planning a U. S. patent you will require the most painstaking research.

More patents are taken out there than in any other country. More than three million have been granted since 1835.

There are no less than 60,000 sub-classes.

The result is that through human oversight some patents are given which should never have been granted. They are invalid and would never stand a court case.

Exporters with their eye on the U. K. market can make use of the British "provisional specification."

This is an informal arrangement which gives immediate international priority for one year pending patent, something not provided by the present Canadian caveat (**FP**, Dec. 14, 1957).

This preliminary application is relatively inexpensive and may be filed through your agent at the Patent Office, London, Eng.

It's particularly useful for those developing a new product which must be publicly shown.

The easiest way to determine whether there is a patent for the product abroad, is to seek the unofficial opinion of an examiner in the U. S. Patent Office, Washington.

At last month's meeting of the Patent & Trademark Institute of Canada in Ottawa, E. T. Henry of Montreal was re-elected president. Other officers elected were vice-president, E. L. Medcalf, Ottawa; honorary secretary-treasurer, F. H. Hamer, Toronto; Councillors, B. F. Roussin, Montreal, H. I. Marshall and P. Kirby, both of Ottawa.

This is the most comprehensive source for such information. However, the consultation must be in person.

There is no such thing as an international patent.

However, most countries have signed the International Convention for the Protection of Industrial Property.

Its basic aim is to protect the inventor's priority rights for one year period. The key factor is the date of application.

If you apply in one Convention country, you may apply in any other member country and secure the same filing date, provided all subsequent applications are filed within one year of the first.

Convention members include the U. S., Canada, the U. K., other Commonwealth countries, most of Western Europe and some Latin American states.

Canadian applicants do not have to file first in Canada.

The important thing is to get a legal green light before undertaking either manufacture or distribution.

Most patent cases end in out-of-court settlements for the simple reason that the relative merits of the two sides are close.

It's the "iffy" nature of these cases which often leads the defendant to settle and the plaintiff to agree.

The alternative is endless litigation and staggering legal fees.

Cultural, Economic Links Draw Belgium to Canada

By CHARLES P. HEBERT

It has been my great privilege to represent Canada in Belgium during a period of years when both countries were enjoying an unprecedented rate of economic development.

The liberal trading philosophy traditionally shared by both nations has been instrumental in making Belgium and Canada important trading units in the markets of the world and reliable customers of each other.

Today the strong, long-standing economic links, added to the close cultural association and the mutual sharing of defence obligations — both in the past and in the present — have made Canada and Belgium the closest of partners in the North Atlantic community.

Charles Pierre Hebert, Canada's Ambassador to Belgium, has spent most of his 58 years in public service.

In the first war he was in the Royal Flying Corps, and then with the Canadian "Snowball Outfit" in Siberia.

He attended both McGill and Oxford universities, served on the Canadian Tariff Board, the Dominion Trade and Industry Commission, and later on the Wartime Prices and Trade Board.

As World War II intensified, Hebert went into uniform, served with distinction on various hot fronts.

He has been counsellor in the Canadian Embassy, Washington, and among his foreign posts have been Cuba and Mexico.

In a recent feature report on Belgium, FP published rather brief portions of Mr. Hebert's statement. Here it is in full:

The Belgian government and people, by virtue of their experience in earlier projects for economic co-operation and by virtue of the wise statesmanship of their leaders, have played a key role in the negotiations which have culminated in the establishment of the Common Market and Euratom.

The lessons which Belgium, working closely and patiently with her Netherlands and Luxembourg partners, has gained from her participation in the Benelux Customs Union have led her to make an important contribution to the establishment of the wider and more intricate association of the new European Economic Community.

This trading community (known popularly as the Common Market) aims at achieving at the end of 12 to 15 years a single market of 165 million people with a common external tariff against the rest of the world.

The first tariff reductions among the six partners of the Common Market are to go into effect at the beginning of next year.

External tariffs towards the rest of the world will begin their adjustment in 1962.

While Belgium has played a very important role in the movement towards European integration, and expects to benefit from the resulting freer flow of capital, labor and merchandise, this nation has shown her willingness to extend some of these privileges to the rest of Western Europe and to the United Kingdom through the establishment of the proposed Free Trade Area now being negotiated between the member countries of the OEEC.

I am sure that the Canadian government and the Canadian business community hope and trust confidently that these new initiatives will lead to a great expansion of world trade on a multilateral and non-discriminatory basis, and that the traditional commercial links between Canada and Belgium will benefit accordingly.

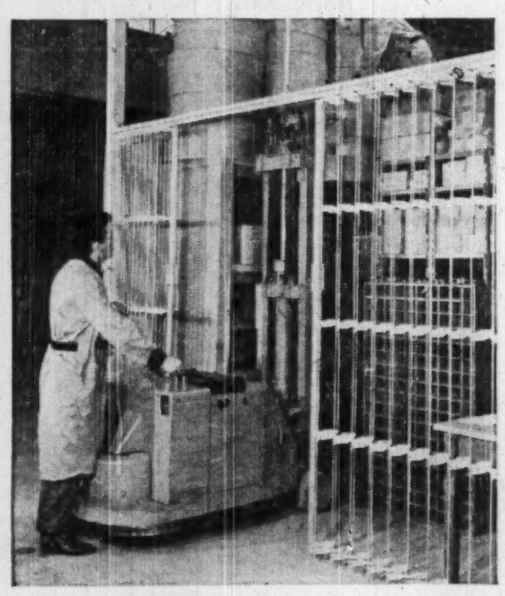
Businessmen and industrialists in both countries are now engaged in studying the new opportunities which will be created.

From the Canadian point of view, certain adjustments must be envisaged since the progressive developments of a Common Market will lead to substantial alterations in European industrial patterns and agricultural policies, and will as a result present a challenge to all Canadians interested in foreign trade.

There is perhaps no greater tribute to the important role which Belgium has played in these recent developments than the fact that at the present time the Common Market Commission and a number of other important bodies, responsible for the planning and day-to-day implementation of the new European Economic Community, now hold their meetings in Brussels, and this capital is one of the leading candidates for the permanent headquarters of the institutions of the Community.

The eyes of the outside world have, this year, been turned towards Belgium where the Brussels Universal and International Exposition is attracting hosts of visitors to this country from every corner of the globe.

The conception and execution of such a gigantic and bold project is a convincing tribute to the initiative and enterprise of the Belgian people and no one who has visited the Fair could have remained unimpressed by the masterful way in which collectively the participants have successfully carried out the theme of the Exposition — "reunion of all the nations under the sign of man and towards a better understanding between peoples."



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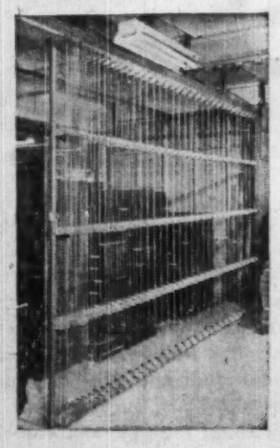

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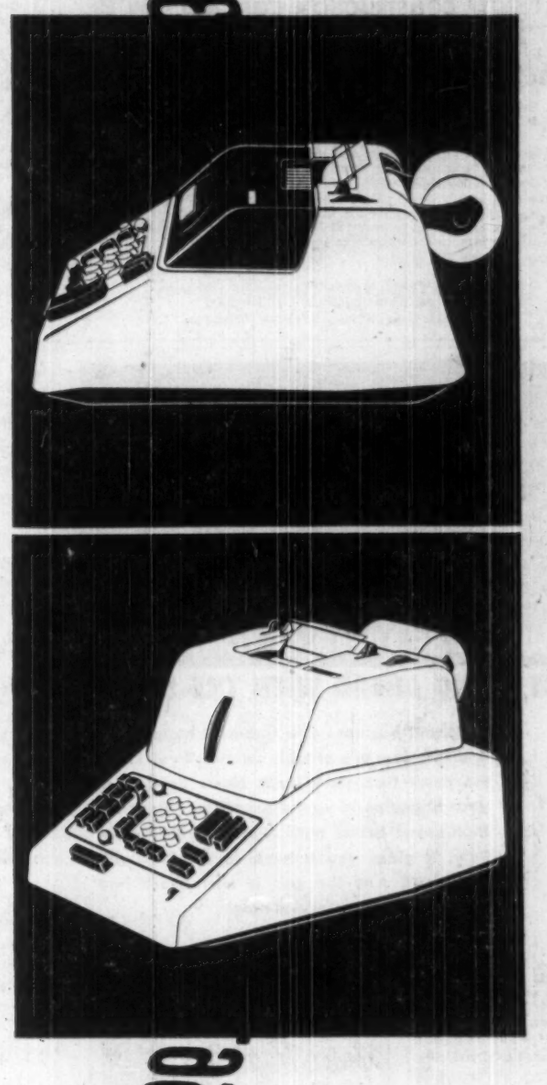

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ANNOUNCING

Important appointments in Canadian Industry, Finance, Business and Government

Balfour Guthrie (Canada) Ltd. (Vancouver)—G. H. Carr, appointed vice-president finance.

B.C. Electric (Vancouver)—Jack H. Steede, John J. Carson, appointed vice-presidents.

Bowater's Newfoundland Pulp and Paper Mills Ltd. (Corner Brook)—J. H. Mowbray Jones, appointed president; H. M. S. Lewin, appointed president of the Bowater Power Co.; Sam Mann, director Bowater Corp. of North America Ltd.

British Northwestern Insurance Co. (Toronto)—George H. Baillie, C. H. Dickins, appointed directors.

Brown Boveri (Canada) Ltd. (Montreal)—Werner A. Thomann, appointed president and director; Charles H. Wich, executive vice-president; Fraser H. Fargey, vice-president sales and secretary; G. R. Labelle, treasurer and assistant secretary.

Canadian Celanese Ltd. (Montreal)—William Ashworth, vice-president administrative services; Thomas H. Hilliard, vice-president production planning.

Canadian Wallpaper Manufacturers Ltd. (Toronto)—S. W. Wilbur, appointed director.

Charles E. Frosst & Co. (Montreal)—A. F. Coffin, F. W. Henry, appointed associate general sales managers.

Chatham Chamber of Commerce (Chatham)—H. Tennant, appointed secretary manager.

Chrysler Corp. of Canada (Windsor, Ont.)—Norman H. Penney, appointed vice-president in charge of finance.

Dow Chemical of Canada Ltd. (Sarnia)—H. V. Page, appointed production manager; Robert G. Brooks, manager Atlantic sales office.

Dowty Equipment of Canada Ltd. (Ajax, Ont.)—B. J. McColl, appointed assistant vice-president industrial products. K. D. Morley, assistant to the vice-president.

Du Pont Co. of Canada (1956) Ltd. (Montreal)—D. Stanley MacKay, appointed advertising manager.

Dye & Chemical Co. of Canada Ltd. (Kingston, Ont.)—Dan R. Atack, appointed vice-president; G. Graham Thomson, vice-president; F. Bon Jasperson, sales manager; J. Clare Arthur, assistant sales manager; W. A. J. Atack, secretary.

Executive Furniture Guild of America (Grand Rapids, Mich.)—John C. Preston, the first Canadian to be elected president.

Gairdner & Co. (Toronto)—G. O. Rui, appointed Calgary manager.

Hall Securities Ltd. (Vancouver)—Arthur Lungley, appointed director.

Kenyon & Eckhardt Ltd. (Montreal)—David N. Roe, appointed manager.

Labatt's Manitoba Brewery Ltd. (Winnipeg) — Ernest Moncrieff, John B. Craig, Mark G. Smerchanski, Roland Couture, appointed directors.

National Dairy Council of Canada (Calgary)—E. A. Lewis, appointed president.

Orr Associates Ltd. (Toronto)—Earl M. Hyman, appointed director, market research.

Peacock Brothers Ltd. (Lasalle, Que.)—Brian P. Emo, appointed manager Toronto office.

Photographic Survey Corp. (Toronto)—E. W. I. Keenleyside, appointed director.

Prest-O-Lite Battery Co. (Calgary)—R. B. Vesey, appointed western sales manager.

Provincial Bank of Canada (Montreal)—Patrice Blanchet, appointed assistant general manager.

Remington Rand Ltd. (Toronto)—J. D. Noakes, appointed general sales manager, business machines and office equipment division.

Richards-Wilcox Canadian Co. (London, Ont.)—John D. Judge, appointed president; D. B. Weldon, director.

Roland Perron Ltd. (Montreal)—Leo Dagenais, appointed secretary.

Rotary Lift Co. of Canada Ltd. (Chatham, Ont.)—F. D. Rosebrugh, appointed vice-president sales; L. W. Tickner, manager elevator and industrial division.

Sparling Tank Mfg. Co. (New Toronto)—Frank E. Hindson, appointed general sales manager.

Union Carbide Canada Ltd. (Toronto)—F. Perry Wilson, appointed director.

Westburne Oil Co. (Calgary)—T. H. Atkinson, appointed director.

J. H. STEEDE

has been appointed vice-president of all electric operations on the mainland, by the B. C. Electric Co., Vancouver.

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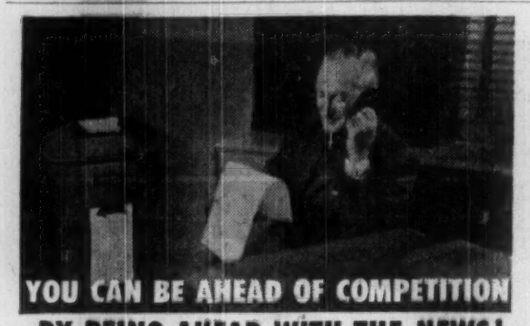

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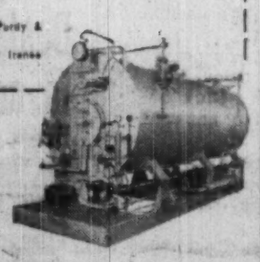

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Offer $15 Million Bonds, Stock Of Regina's First Steel Mill

Proceeds of a $5 million issue of **Interprovincial Steel Corp.** 5½% 15-year first mortgage bonds, currently being offered at par by **Annett & Co.** of Toronto, will be applied toward construction of a $15 million steel rolling mill two miles northwest of Regina (**FP**, Sept. 27).

A group of dealers headed by **Locke, Gray & Co.** of Calgary is offering 555,600 npv common shares at $6. Another 680,370 shares have been placed privately.

A total of $5 million will be raised through sale of stock.

Also placed privately was a $5 million issue of 4½% serial bonds, due 1960-66.

Both bond issues are fully guaranteed by the Saskatchewan Government.

A sinking fund will start in 1967, to retire the entire issue by maturity Nov. 1, 1973.

Bonds are not callable until Nov. 1, 1971.

Interprovincial will make skelp, plate and structural steel for use by welded steel pipe mills, general fabricating plants and the construction industry. Scrap steel to feed the mill will be collected on the prairies and in adjoining states.

Mill, to be built by **Salem Engineering Ltd.** of Toronto, will have annual capacity of 80,000 tons of skelp, 10,000 tons of plate, and 10,000 tons of structural shapes. It is expected to go into production by late 1959 or early 1960, with 175 workers and a $1 million annual payroll.

President is J. W. Sharp of Regina, who also heads **Prairie Pipe Manufacturing Co.**

Company Report

Instruments

LEVERAGE FUND OF CANADA LTD., Montreal, net profit of $61,030 for year ended April 30, 1958, was 39.9% lower than previous fiscal year's $101,516.

INCOME ACCOUNT

Years Ended Apr. 30:	1958	1957
Divds. & int.	$118,030	$182,926
Less: Gen. exp.	26,356	33,194
Interest	26,411	5,000
Income tax	2,233	3,226
Net profit	61,030	101,516
Add: Tsf. from pd.-in shrp. rev. sec.	2,023	6,267
Tsf. fr. inv. surp.	11,387	16,799
Less: Divds.	73,677	118,138
Surplus for year	763	6,444
Earnings per Share and Dividend Record:*		
Common	$0.15	$0.19
Paid	0.18	0.22
*Based on number of shares outstanding as calculated, from dividends paid:		
Shares o/s as at April 30:		
Common $1 par	355,415	463,107

BALANCE SHEET

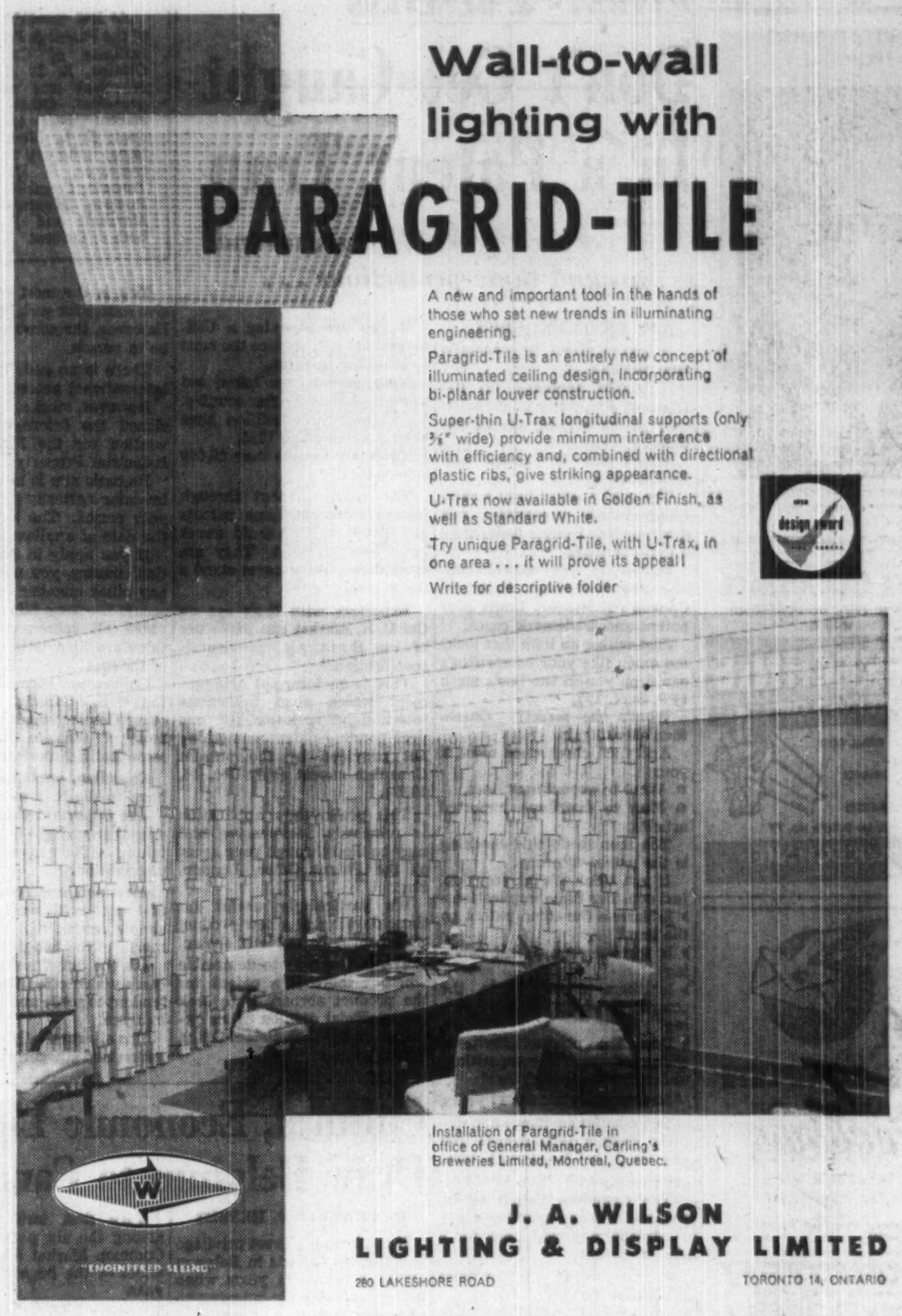
As at Apr. 30:	1958	1957
Cash	$30,055	$13,670
Invest. mkt. value	3,108,331	3,075,957
Accts. rec.	8,315	18,732
Accr. income	4,052	4,839
Total assets	2,147,753	3,118,198
Accts., etc. pay.	802	784
Call loan	800,000	800,000
Due for sh. redemp.	18,677	50,102
Capital stock	355,415	463,107
Paid-in surplus	356,739	785,032
Earned surplus	4,479	7,762
Surp. sale of inv.	581,894	206,161
Unreal. prof. invest.	529,747	1,101,250
Cost	1,575,584	1,974,707
Net assets per sh.	4.58	5.53

ANNOUNCEMENT

LONDON CONCRETE MACHINERY CO. LIMITED

JACK J. TICKINS

J. M. Pocock, Vice-President of London Concrete Machinery Co. Limited, has announced the promotion of Jack J. Tickins to Sales Manager, Construction Equipment Division. Mr. Tickins was formerly Sales Representative of the Hartley Foundry Division and is presently residing in Toronto.



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Write for descriptive folder

Installation of Paragrid-Tile in office of General Manager, Carling's Breweries Limited, Montreal, Quebec.

J. A. WILSON LIGHTING & DISPLAY LIMITED

260 LAKESHORE ROAD — TORONTO 14, ONTARIO

Offer $300,000 6% Bonds Of St. Lawrence Gas Corp.

MONTERAL (Staff) — An issue of $300,000 6% serial first mortgage bonds of **St. Lawrence Gas Corp.** maturing $25,000 annually 1959 to 1970 is being offered at par by **Maison Bienvenu Ltée.**

Proceeds are to reimburse company for expenditures made in connection with the acquisition earlier this year of **Quick Flame Gas Ltd.**, a distributor of propane gas and appliances in various parts of Québec.

St. Lawrence Gas, a holding company, was incorporated in July of this year to acquire the assets and stock of Quick Flame. The business is still being operated by Quick Flame, which leases its assets from St. Lawrence.

Officers of St. Lawrence are Raymond Martin, president; Marc Masson Bienvenu and Robert Martin, vice-presidents; Laurent Martin, secretary-treasurer.

Other directors include Jacques Melancon, Guillaume Geoffrion and Charles Dussault.

Including the current financing, outstanding capitalization comprises: $300,000 6% first mortgage bonds; 1,500 6% ($100 par) preferred shares; 10,000 ($1 par) common shares.

In the first four months of 1958, net profit of Quick Flame was $26,600. This compares with a profit of $68,000 in the full year 1957 and $73,000 one year earlier.

The 6% first mortgage bonds of St. Lawrence are dated Aug. 15, 1958, and mature at the rate of $25,000 each year Aug. 15, 1959 to 1970 inclusive. They are non-callable for refunding prior to 1964.

DAIRY CROP

From Our Own Correspondent

HALIFAX — While production was boosted slightly during July, dairy farm output in Nova Scotia for the first seven months of the year stood at 233,675,000 lb. — 49,413,000 lb. less than in the same period a year ago.

The Pretty Housewife? Model Sheila Billing, Canadian Stage and TV Star

NS-4

Kitchens are for cooking, Sheila!

But roots from your favorite shade tree plugged the house drains tight . . . so it's bath in the kitchen tonight! Filling that tub was just the beginning of your problem. With the drain line being dug up, a costly proposition, it's out the back door and down the back steps for that tub of water! If your builder had used Plain End Vitrified Clay Pipe, Fittings and Root-Proof Couplings you'd have been sure of trouble-free house drains, forever. They're root-proof, by actual test.

Plain End Pipe from 4" to 24"

NATIONAL SEWER PIPE LIMITED

SALES OFFICE — BOX 36, OAKVILLE, ONTARIO

ANNOUNCEMENT

NESBITT, THOMSON APPOINTMENT

KENNETH E. PLUMPTON

Announcement is made by Nesbitt, Thomson and Company, Limited of the appointment of Mr. K. E. Plumpton as General Sales Manager, succeeding Mr. D. B. Creighton, a Vice-President shortly to assume other special duties. Mr. Plumpton, a director of the Company, has been associated with the firm for many years and prior to his new appointment was Manager for the Province of Quebec.

SCUDDER FUND

Four-for-one stock split of **Scudder Fund of Canada Ltd.**, U.S.-owned Canadian mutual fund (**FP**, Sept. 27), is effective Oct. 10. New certificates will be mailed to shareholders starting about Oct. 25.

Executone

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National Sales and Service

Beaver Club

The new purchase of this investment club

LOBLAW COMPANIES B

Here is the monthly report by the fund manager to the members of the Beaver Club on the fund's operation:

On Oct. 3 we purchased five more shares of **Loblaw Companies** class B at $30⅜ to yield 1.32%. We now hold 25 of these shares with an average cost of $25.10. Our last purchase was eight shares at $24 on Aug. 1, 1957.

The selection of attractive common stocks has become increasingly difficult.

The recent rise in Canadian stock prices has carried most good stocks to a point where substantially higher earnings must be assumed for the future. On the other hand, the productive capacity of most industries has now exceeded demand and profit margins are narrower.

Thus there is room for uncertainty regarding the outlook for the higher per share earnings which today's stock prices are already anticipating.

Loblaw stock, however, is one of the few remaining situations where there appears to be adequate value and current earning power to justify the current market price.

In addition, the retail food industry to which this stock belongs, offers some protection against the possibility of a decline in business profits. Obviously it is not as vulnerable as industries supplying capital goods or relying on foreign markets.

In mid-September Loblaw Companies produced annual figures for the year ending May 31. This report makes cheerful reading for the shareholders.

Consolidated earnings per Class A and B were $3.02 compared to $2.64 last year — a 15% increase. The current market price for the shares is only about 10 times these 1958 earnings.

Beaver Club Monthly Statement

AS OF SEPT. 30, 1958

To Sept. 30, each original Beaver Club member had contributed $360. This interest in the fund was worth $443 at Sept. 30.

	No. of Shares	Av. Cost per Share $	Market per Share $	Total Current Value $
Abitibi Power & Paper	15	31.75	33⅞	508.13
Algom Uranium warrants	35	9.07	5.50	192.50
British American Oil	10	38.00	44⅞	448.75
British Columbia Power	20	37.69	42¼	845.00
Bailey Selburn Oil & Gas 5% convertible preferred	5	30.00	25	125.00
Canadian Bank of Commerce	15	46.57	52	780.00
Canadian Breweries	5	33.13	34⅛	170.63
Canadian Hydrocarbons	25	10.08	8¼	206.25
Dominion Tar & Chemical	25	8.87	13⅞	346.88
Interprovincial Pipe Line	15	26.50	51⅞	778.13
Loblaw Companies "B"	20	23.78	30½	610.00
MacMillan & Bloedel	10	27	34¼	342.50
Moore Corp.	5	49.00	75	375.00
Pacific Petroleums	10	18.25	18⅝	186.25
Quebec Natural Gas	10	20.00	25½	255.00
Salada-Shirriff-Horsey	15	10.50	25⅜	380.63
Steel Co of Canada	5	56.05	65¾	328.75
G. Tamblyn	10	24	28½	285.00
Trans-Canada Pipe Lines—Units	2	120.00	162	324.00
Shares	6	10.00	36⅞	221.25
United Fuel "B"	5	38.00	50	250.00
John Wood Industries "A"	15	21.17	23½	352.50
				8,312.15
Deduct debit with broker				15.68
Net asset value				8,296.47
Total contributions to date				6,732.67
Net asset value per dollar invested				1.23
No. of Beaver shares outstanding Aug. 31			509.94	
No. of shares purchased Sept. 1 (20 x .642)			12.84	
No. of shares outstanding Sept. 30			522.78	
Net asset value per Beaver share			$15.87	
Oct. 1 payment will purchase			.63 shares	

It is not easy today to find a stock selling on such a reasonable price/earnings ratio where profits of the company have been growing rapidly and still have growth potential. The shares of the major competitor, **Dominion Stores**, are selling at about 18 times last year's earnings.

There are several factors which perhaps provide the reason why Loblaw stock is selling cheaper. Our concern should be whether or not these are permanent considerations which will weigh against the stock in the long run, or whether some of the points are of a short-term nature.

Here are some reasons which may account for Loblaw stock selling more cheaply.

1. Company has consistently been niggardly when it comes to paying out dividends. The current rate of 40 cents per share is only about 13% of earnings. Dominion Stores on the other hand, though also a reluctant dividend payer, at least distributes 30% of earnings to its shareholders. A tight dividend policy could detract from a stock's appeal. On the other hand, the Loblaw shareholder should be glad to see this company plowing back earnings, because it seems to be able to put them to profitable use in further expansion.

2. The corporate structure of Loblaw Companies is somewhat involved. Profits arise from the receipt of dividends from the operating company, **Loblaw Groceterias Co.** (the stock of which is 97% owned by the parent), which in turn derives a portion of its income from subsidiaries—**Loblaw Inc.**, (57% owned) and **National Tea Co.** (33% owned). Investors may feel that because of the long route profits must travel, some fail to reach them. Though this is true, equities are being built up for the parent company and its shareholders. The fact that some investors may be discouraged by the obscurity of true earnings, contributes to making the stock undervalued for those who are content to wait for the long-term build-up of equity value and earning power.

3. Perhaps the most significant deterrent to better market value for these shares is the threat of dilution from outstanding convertible debentures and stock warrants. In total, the debentures can be converted into approximately 500,000 class A shares which compares with about 2,000,000 class A and B now outstanding. This means that profits will have to be divided among 25% more shares. Some interest savings would be enjoyed by having the debentures eliminated, but since interest is deductible before taxes, the net effect of this saving is very small — only about 10 cents per share.

The number of additional shares which can be issued to holders of the stock purchase warrants totals 160,000. To exercise their warrants, holders must pay $25 per share so there would only be a small amount of dilution resulting from the warrants.

The convertible debentures can be exchanged for stock at the rate of $22.22 of bonds for each share. Since this is well below the current market price, the debentures are selling at a substantial premium and it seems likely that the company might, at any time, call them and force conversion. Perhaps it would be better if this were to happen soon so that the position of the shareholders would be made clearer.

These adverse influences which may currently be holding back the market on Loblaw stock are either of a short-term nature or do not affect the company's ability to enjoy a continuation of its upward earnings pattern. Though Loblaws has undergone a rapid expansion in recent years and now has 204 stores, plans for the future indicate that much growth still lies ahead. Nine new Ontario stores will be in operation by next spring. Five stores were recently opened in western Canada and 14 more are under construction. Loblaw Inc. and National Tea are also conducting vigorous expansion plans in the U. S.

Followers of the Beaver Club may have noticed that one of our companies, **John Wood Industries Ltd.**, has, since our last report, announced that it will miss the next dividend payment on its Class A and B shares. We believe such action to be entirely unjustified and the president's explanations to be most inadequate.

This company has long paid only a small portion of its earnings to the shareholders and the strength of its position indicates it could well afford to tide over a period when earnings did not cover dividend requirements. Though the sale of gasoline pumps has been substantially down in 1958, it seems likely this situation could quickly change.

We think the stock is still attractive, but are disappointed in the way the company's management has handled this affair.

The Beaver Club is a typical operating investment club. It has 20 members. Its stock purchases and sales are decided by a professional investor.

Stocks bought for the Beaver Club are not necessarily suitable for all investment clubs. Beaver Club members are nearly all young and their incomes are quite substantial. They can afford to take risks of loss which are inappropriate for some clubs.

The Beaver Club policy is quite definitely an aggressive search for attractive longer-term growth investments. —The Editors

Bank Staff Changes

Toronto-Dominion:

R. R. DUMBERG, liability officer, Portage & Notre Dame, Winnipeg, to be methods officer, head office, Toronto.

R. E. SIMPSON, methods officer, head office, Toronto, to be methods officer, western divisional office, Winnipeg.

P. W. HEYES, accountant, Granville & Broadway, Vancouver, to be accountant, 18th Ave. & Cambie St., Vancouver.

J. F. DARBY, accountant, 37 James St. S., Hamilton, to be accountant, 19 King St. E., Kitchener.

A. G. BROWNELL, accountant, Brandon, Man., to be liability officer, 102nd Ave. & 102nd St., Edmonton.

A. B. CLUER, assistant accountant, Guelph, Ont., to be accountant, 37 James St. S., Hamilton.

H. W. CUMING, assistant accountant, Market branch, Hamilton, to be accountant, Mount Forest, Ont.

M. H. S. McKAY, assistant accountant, City Hall branch, Toronto, to be accountant, University & King branch, Toronto.

M. ST. JEAN, assistant accountant, St. Lawrence & Prince Arthur, Montreal, to be accountant at that branch.

* * *

Nova Scotia:

W. H. BATE, accountant, Glace Bay, N.S., to be accountant, Dartmouth, N.S.

D. M. Merrithew to be accountant, East Florenceville, N.B.

J. L. RULE, accountant, Victoria, to be accountant, Vancouver.

R. J KELLY, to be assistant accountant, Timmins, Ont.

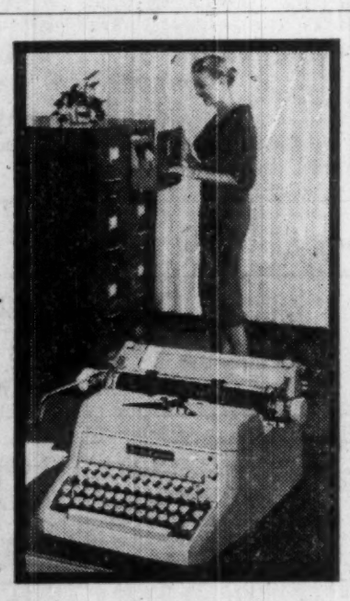
A. W. SMITH to be assistant accountant, Broadview & Gerrard, Toronto.

C. R. MACLAGGAN, manger, Summerside, P.E.I., to be manager, Park & Fairmount, Montreal.

J. D. CARRUTHERS, to be an assistant inspector at general office, Toronto.

R. T. WILLIAMS, accountant, New Glasgow, N.S., to be an assistant manager, Halifax.

W. L. BOYD, to be accountant, Glace Bay, N.S.



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Investors Mutual of Canada Ltd. emphasizes reasonable income, stability and capital gain potential through a portfolio of more than 100 securities including common stocks, preferred stocks and bonds. Investors Mutual is Canada's largest mutual fund with assets of $136,500,000 at March 31, 1958.

A MUTUAL FUND FOR GROWTH

Investors Growth Fund of Canada Ltd. emphasizes long-term capital gain through a portfolio concentrated in common stocks. Formed in November, 1957, Investors Growth Fund had assets at March 31, 1958 of $3,500,000.

TAX-DEDUCTIBLE REGISTERED RETIREMENT PLANS

Three types of "Registered" plans are offered by Investors: (1) fixed-interest (2) equity (3) combined fixed-interest and equity. Either the fixed or the equity portion of combined plans, or both portions, may be qualified as a Registered Retirement plan for tax deduction purposes.

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With Investors Trust Company, Investors Syndicate has complete facilities for the installation, administration and investment management of trusteed group pension plans. Contributions may be invested in fixed-return funds, equity funds, or combinations of these.

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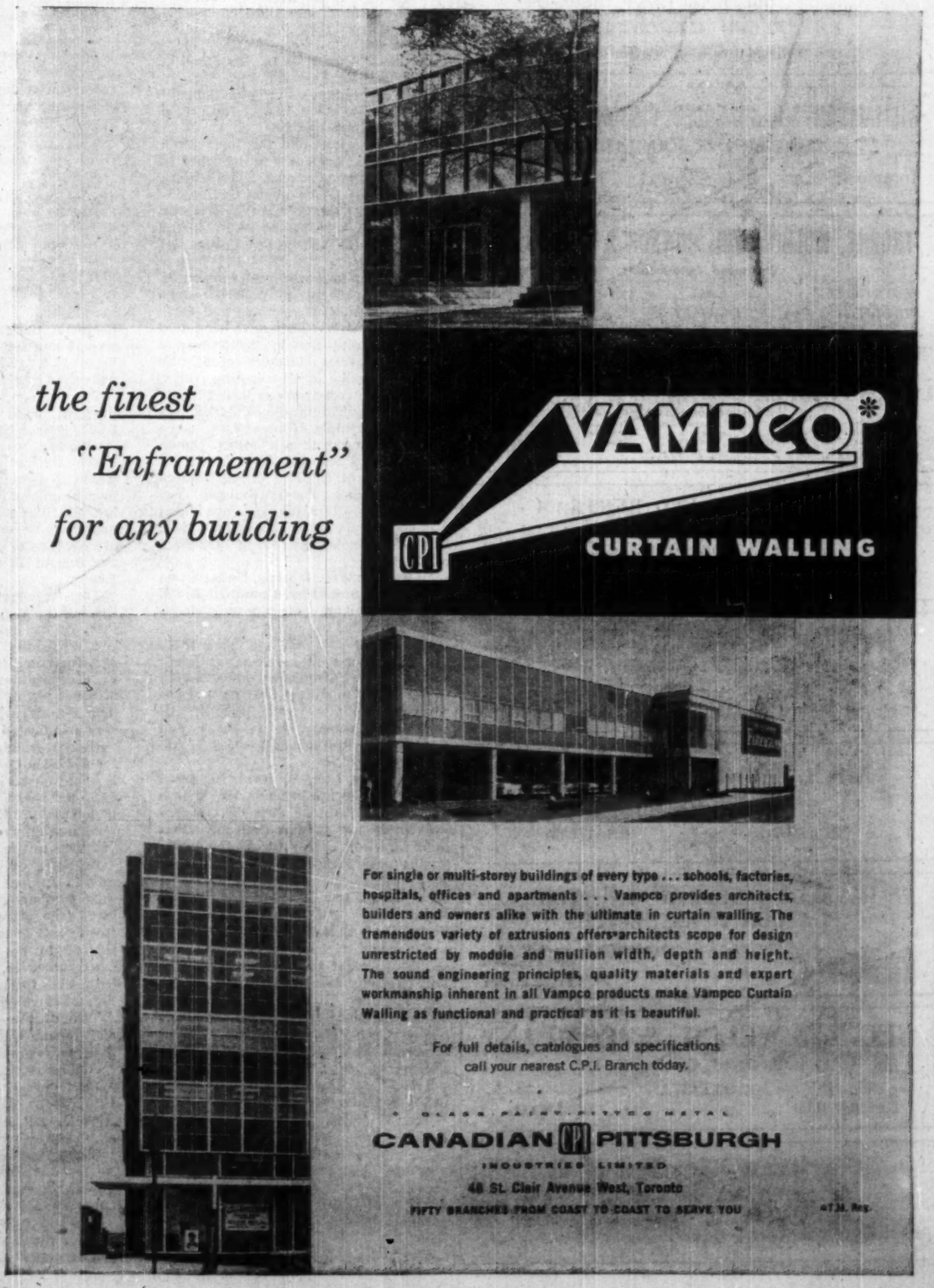
Investors syndicate OF CANADA, LIMITED

manages assets of one-quarter of a billion dollars

HEAD OFFICE: WINNIPEG OFFICES IN PRINCIPAL CITIES



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The 26 stocks Nestor picked:

	Price Sept. 30/58	(1) Index of Growth	(2) UV-OV Levels	% Above UVL	% To Reach OVL	Earnings per share (3) Latest Reported Fiscal Yr.	Interim (months)	(4) Indicated Dividend Rate	Price Earnings Ratio	Yield	(5) Risk
GROWTH COMPANIES	$		$			$	$	$		%	
Aluminium Ltd.	31½	11.8	24-55	31	75	1.37	0.35 (6)	*0.70	22.9	2.22	I
Atlas Steels	23⅛	6.8	16-30	44	116	2.49	0.84 (6)	1.00	9.3	4.32	M
Canada Cement	34½	4.3	21-57	64	65	2.64	...	1.00	13.1	2.90	M
Canadian Hydrocarbons	8¼	8.2	6-18	37	118	0.47	0.03 (6)	nil	17.6	...	S
Dominion Foundries & Steel	36	7.0	20-40	80	11	2.54	...	1.00	14.2	2.78	M
Dominion Stores	72	4.5	29-61	148	—15	4.07	...	1.25	17.7	1.74	M
Great Lakes Paper	35¼	11.2	24-56	47	59	1.83	0.85 (6)	1.60	21.6	4.54	M
Howard Smith Paper Mills	36½	8.1	22-60	66	64	3.66	...	1.20	9.9	3.29	M
Industrial Acceptance	36	6.5	19-40	89	11	3.05	1.63 (6)	1.40	11.8	3.89	M
MacMillan & Bloedel B	34¼	7.7	23-56	49	63	1.93	1.19 (9)	1.00	17.7	2.92	M
Moore Corp.	75	5.4	42-71	78	—5	4.93	2.12 (6)	*2.00	15.2	2.67	M
Page-Hersey Tubes	32	7.3	21-38	52	19	1.70†	...	0.90	18.8	2.81	M
Powell River	35	10.6	26-66	35	88	1.85	0.69 (6)	1.50	18.9	4.28	I
Simpsons Ltd.	27	24.8	14-35	93	30	1.21	...	0.60	22.3	2.23	M
Steel Co. of Canada	65¾	7.6	35-88	88	34	4.90	...	1.90	13.4	2.89	I
Zeller's Ltd.	32	9.3	20-40	60	25	2.29	0.49 (6)	1.20	13.9	3.75	M
NATURAL RESOURCE COMPANIES											
Asbestos Corp.	33	6.8	23-64	43	94	2.90	...	1.75	11.4	5.30	I
British American Oil	44⅞	12.8	27-64	66	43	1.74	0.61 (6)	1.00	25.8	2.23	I
Canadian Pacific Railway	29⅝	26.7	17-46	73	56	3.11	0.91 (6)	1.50	9.4	5.11	M
Falconbridge Nickel Mines	26	5.7	21-47	24	81	2.65	0.87 (6)	1.20	9.8	4.61	M
Hollinger Consolidated	25½	*	13-35	96	37	1.58	0.27 (6)	0.48	16.1	1.88	S
Home Oil B	19¼	*	10-29	92	51	d0.36	...	nil	...	...	S
Imperial Oil	47½	11.8	33-72	44	52	2.29	0.77 (6)	1.20	20.7	2.53	I
International Nickel	82½	8.8	54-121	53	47	*5.90	1.46 (6)	2.60	14.0	3.15	I
Noranda Mines	47¾	9.6	30-68	59	42	2.66	1.05 (6)	2.00	17.9	4.19	M
Pacific Petroleums	16⅝	*	10-28	66	68	d0.27	...	nil	...	...	S

(1) Figures indicate, at current growth rate, number of years in which value of equity behind common stock should double. Index of growth is not as significant in valuation of natural resource companies as their holdings of resources.
(2) UV (Under-Valuation) and OV (Over-Valuation) Levels are prices at which the particular stock is adjudged as underestimating or overestimating its rate of long-term growth. See "How to Read the Charts" on opposite page for full explanation of these ratings.
(3) Earnings are for calendar year 1957 except for: Canada Cement (year ended Nov. 30, 1957), Dominion Stores (March 22, 1958), MacMillan & Bloedel (Sept. 30, 1957), Simpsons Ltd. (Jan. 8, 1958), Zeller's (Jan. 31, 1958), Pacific Petroleums (Feb. 28, 1958).
(4) Based on current rate or payments made in 1957.
(5) I, M, S equal Investments, Medium and Speculative Quality, respectively. Factors of importance in determining the investment risk are the nature of capitalization (debt, preferred and common ratios), continuity of earnings and dividend, relative size of the firm in its industry, current financial ratios, extent of activity in shares, and its investment and financial sponsorship.
* More than 40 years.
■ U. S. currency.
d Deficit.
† Adjusted for stock split.

Growth Stocks

Nestor's Choices Are Up 62%

By RODNEY TOUCHE

For Nestor's 26 Selected Growth Stocks the last three months have marked the most rapid advance of the year.

At Dec. 31, 1957 the portfolio was only 25.2% ahead of its original purchase price of five years earlier.

The first quarter of 1958 saw a recovery of 7.2%; the second quarter a gain of another 8.5%. Now, in the third quarter, it has increased 10.3%.

The portfolio's resilience has brought it 62.2% above its starting value of December 1952. This approaches the peak (March 31, 1956) when it stood 67% above its original level.

How does this compare with the recognized averages? As might be expected, it outstrips them. Since December 1952 the DBS 95-stock Investors' Price Index has advanced 49.7%. Its climb in the last quarter has been 8.9%.

The Toronto Stock Exchange index of industrials has risen 53.4% since 1952; 10% since June 30, 1958.

In Nestor's portfolio the most rapid increase has been made by the 16 "growth company" stocks. Three months ago they were 64.5% above their starting level. At Sept. 30 last they were up 84.6%. They have gained 26.6% in the last 12 months and 12.6% in the last three months.

The 10 "natural resource" companies, in contrast, are up only 26.4% since 1952; 5.7% since a year ago and 6.6% in the last quarter. They have been held back as a group first by the decline in base metal prices and more recently by the fall in value of oil company stocks.

These two trends are reflected in the pattern of the Toronto Stock Exchange's base metals index (down 7.9% since 1952) and western oils index (down 10.3% since a year ago).

Only one of Nestor's original selections, **Canadian Pacific Railway**, has failed to appreciate in value since it was first chosen. At $29⅝ on Sept. 30, 1958, it was 8.9% below its closing 1952 price of $32¼.

In the last three months, Nestor's two primary oil producers, **Home Oil B** and **Pacific Petroleums**, are the only stocks that have failed to show a gain.

Compared with year-ago levels there are three companies selling at lower prices. Pacific Petroleums (down 28.9%) is the only one among the "natural resource" companies. In the "growth" list both **Aluminium Ltd.** (—10%) and **Canadian Hydrocarbons** (—13.2%) are down.

Aluminium Ltd., however, increased rapidly during the last quarter. With a gain of 23.5% since June 30, its improvement was greater than any stock in the portfolio. Only three other companies posted increases of more than 20% during the quarter. They were **Atlas Steels** (up 21.7%), **Great Lakes Paper** (up 21.5%) and **Dominion Foundries & Steel** (up 20.5%).

Paper and steel stocks, on an average, set the pace for the third quarter. The four paper producers among the growth stocks gained 15.8%, the four steel companies 15.2%. The three merchandising securities, **Dominion Stores, Simpsons Ltd.** and **Zeller's**, gained an average of 9.9%. This is in contrast to the 19.2% average gain of this group in the second quarter.

The 26 stocks in Nestor's list were selling at the end of the third quarter at an average of 13.9 times their latest year's earnings (two stocks showing net losses). This is higher than the average price three months earlier of 14 times earnings (based on the same earnings figures).

The average for the 16 growth companies at the end of the third quarter was 15 and for the 10 natural resource firms 17.5. (Second quarter averages were 13.4 and 15.2 respectively).

The average yield for all 26 stocks in the list, based on Sept. 30 prices, is 2.93% (three companies are not paying dividends).

For the 16 growth companies, of which 15 distribute a part of their earnings to shareholders, the average yield is 2.95%. The two natural resource companies which operated at a loss last year are not paying dividends, but the average for all 10 stocks in this group is 2.90%.

The average yields are lower than at the end of the second quarter. In the interval the indicated dividend rate of two companies has changed: Simpsons Ltd. increased its annual rate from 50c to 60c; **Hollinger Consolidated Gold Mines** is paying at an annual rate of 24c plus 24c extra, compared with a previously indicated 24c plus 46c extra.

Highest yield at Sept. 30 was shown for **Asbestos Corp.** stock, at 5.30%. This is based on an indicated annual rate of $1.75 per share. The company maintains payments of 25c quarterly. It is not known whether it will repeat the extra 75c paid in the fourth quarter of 1957.

At Sept. 30, 1958, three of the 16 growth companies were priced at less than 40% above their under-valuation level (the price at which a particular stock's rate of long-term growth is considered to be underestimated). Eight more, however, were priced with less than 40% to rise before reaching Nestor's over-valuation level.

Two of the eight, Dominion Stores and **Moore Corp.**, were priced above their over-valuation level.

Among the 10 natural resource companies, only one was priced less than 40% above UV level (**Falconbridge Nickel**). All had more than 40% to climb before reaching OV level.

Since the end of the second quarter Nestor has not revised the index of growth of any of the securities in his list.

The two stocks which are considered to have the fastest potential for growth are Canada Cement and Dominion Stores. It is estimated that the value behind the common stock of Canada Cement, at the current rate of growth, will double in 4.3 years. For Dominion Stores the estimated period is 4.5 years.

Since it was selected in 1952, the price of Canada Cement stock has increased 85.2%. In the case of Dominion Stores the gain ha been 405.3%.

In the last 12 months Canada Cement has risen 38%, Dominion Stores 62.7%.

Their growth record:

	Market Price Dec. 31/52	Sept. 30/57	June 30/58	Sept. 30/58	Percentage Change Dec. 31/52 Sept. 30/58	Sept. 30/57 Sept. 30/58	June 30/58 Sept. 30/58
GROWTH COMPANIES	$	$	$	$	%	%	%
Aluminium Ltd.	16.79	35	25½	31½	+87.6	—10.0	+23.5
Atlas Steels	20¼	18⅞	19	23⅛	+14.2	+22.5	+21.7
Canada Cement	18⅝	25	31½	34½	+85.2	+38.0	+9.5
Canadian Hydrocarbons	*	9½	8	8¼	*	—13.2	+3.1
Dom. Foundries & Steel	*	27	29⅜	36	*	+33.3	+20.5
Dominion Stores	14¼	44½	64¾	72	+405.3	+62.7	+11.2
Great Lakes Paper	*	34½	29	35¼	*	+2.2	+21.5
Howard Smith Paper	17½	26	31½	36½	+108.6	+40.4	+15.9
Industrial Acceptance	15	27½	33¾	36	+140.0	+30.9	+6.7
MacMillan & Bloedel B	17¾	22½	29	34¼	+92.9	+52.2	+18.1
Moore Corp.	*	60½	71¼	75	*	+23.9	+5.3
Page-Hersey Tubes	*	27¾	29½	32	*	+15.3	+8.5
Powell River	23½	34	32½	35	+48.9	+2.9	+7.7
Simpsons Ltd.	11⅞	15½	23⅜	27	+127.4	+74.2	+15.5
Steel Co. of Canada	*	54	59⅜	65¾	*	+21.7	+10.3
Zeller's Ltd.	18¾	25	31	32	+70.7	+28.0	+3.2
NATURAL RESOURCE COMPANIES							
Asbestos Corp.	25½	26½	28½	33	+29.4	+24.5	+15.8
British American Oil	20⅝	40½	41	44⅜	+117.6	+10.8	+9.4
Canadian Pacific Rly.	32¼	28¾	26⅞	29⅝	—8.9	+2.2	+9.3
Falconbridge Nickel	22½	25¼	24½	26	+15.5	+3.0	+6.1
Hollinger Consolidated	15½	24	24⅛	25½	+64.5	+6.2	+5.7
Home Oil B	*	18⅜	19½	19⅛	*	+4.8	—1.3
Imperial Oil	35⅜	43⅝	44½	47½	+32.9	+8.9	+6.7
International Nickel	*	76½	75⅞	82½	*	+7.8	+8.7
Noranda Mines	37½	40½	42½	47¾	+27.3	+17.9	+12.3
Pacific Petroleums	12	23⅜	17⅞	16⅝	+38.5	—28.9	—7.0

Note: Price adjusted for stock splits where applicable.
*In the case of substitutions for original selections, changes are calculated on action of stock since it was selected, combined with the earlier action of the stock for which it was substituted. Assumption is made that proceeds from stock originally chosen in 1952 are reinvested in the new stock at prices prevailing on the date of change.

Performance:

How They've Fared

Up 62.2% Since They Were Chosen

Dec. 31/52—Sept. 30/58

	Growth Companies %	Natural Resource Companies %
Selected Growth Stocks	+84.6	+26.4
The Averages	+53.4 (a)	—7.9 (d)
	+37.9 (b)	+11.4 (e)
	+49.7 (c)	+16.4 (f)

Up 18.5% Since Year Ago

Sept. 30/57—Sept. 30/58

	Growth Companies %	Natural Resource Companies %
Selected Growth Stocks	+26.6	+5.7
The Averages	+16.7 (a)	—0.1 (d)
	+16.0 (b)	—10.3 (e)
	+11.4 (c)	+4.5 (f)

And Up 10.3% in Last Quarter

	Growth Companies %	Natural Resource Companies %
Selected Growth Stocks	+12.6	+6.6
The Averages	+10.0 (a)	+6.9 (d)
	+9.9 (b)	+2.9 (e)
	+8.9 (c)	+1.7 (f)

Note: The averages used are:
(a) Toronto Stock Exchange Industrials Index.
(b) Montreal Stock Exchange Indust. Index.
(c) DBS 95-stock Investors' Price Index.
(d) TSE Base Metals Index.
(e) TSE Western Oils Index.
(f) MSE Golds Index.
Figures for growth stocks are based on assumption that equal amount of money invested in each stock in the list.

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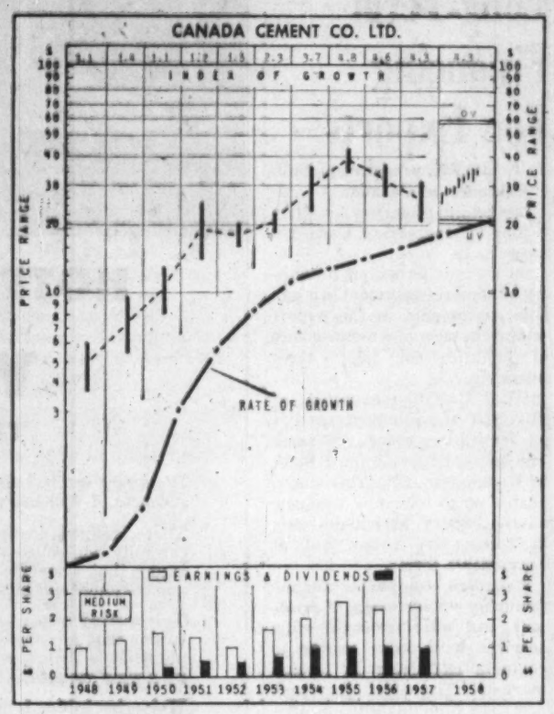
Selected Growth Stocks

— Quarterly Report —
By NESTOR

This is an exclusive FP series on Selected Growth Stocks chosen by one of the continent's most prominent and successful investment advisers. The reasons for choice are shown below the comment on current operations. Each company will be reviewed here quarterly. This series in FP does not constitute a recommendation to buy these stocks.



Canada Cement

Canada Cement Ltd., at recent market price of $35, is 67% above UV level ($21), could rise 63% before reaching OV level ($57). Price is 13.3 times 1957 earnings of $2.64 per share. Yield is 2.86% at indicated annual dividend rate of $1 per share. Price is at its high so far this year. It has climbed from a low of $25.

Though sales are somewhat down from 1957, company expects a reasonably good year. Industrial construction has lagged, but home building, so far this year, has been considerably more active than originally expected.

In common with the rest of the construction industry, the country's cement-makers are facing short-term difficulties due to labor unrest.

In Toronto nearly 20,000 construction workers have been idled by a strike-lockout over a wage dispute between four unions and the Toronto Builders Exchange.

Strike against the **Steel Co. of Canada** in Hamilton involving some 8,000 has resulted in hold-up of some construction jobs. In Sarnia a strike of electricians has tied up a number of construction projects.

Effect of these labor disputes on the cement industry will depend largely on their duration.

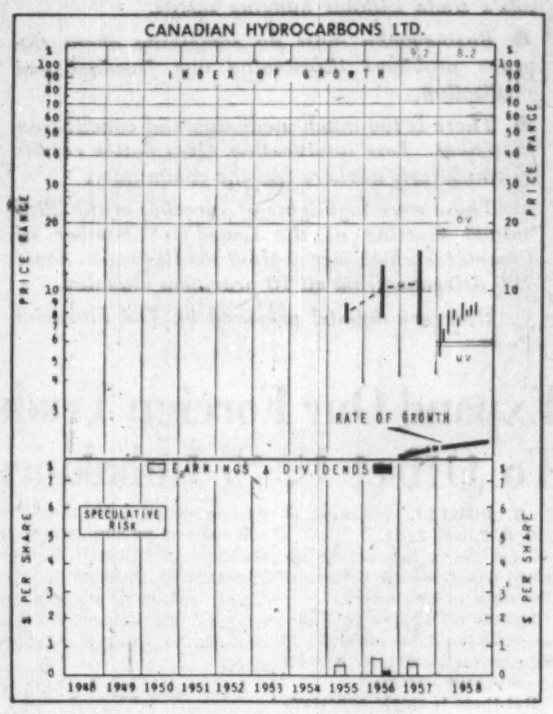
In the first seven months of this year Canadian cement production at 4,085,915 tons was fractionally higher than 4,016,627 tons in corresponding 1957. Shipments at 3,995,380 tons were 0.5% lower than 4,016,627 last year.

Long-range prospects for the cement industry appear fairly good. Though home construction could be lower next year, there are some indications the volume of industrial construction may improve.

In addition major road works such as those presently envisaged in connection with development of Canada's northland, would provide additional markets for cement.

Nestor's Original Reasons for Choice

CANADA CEMENT — Aside from the more immediate benefits from building of the St. Lawrence Seaway, demand for cement, in keeping with the upward trend in general construction, is expected to be forward over the years ahead. Canada Cement, already holding a dominant position in its industry, promises to continue the progressive gain in earnings and asset values it has made in the postwar period.



Canadian Hydrocarbons

Canadian Hydrocarbons Ltd., at recent market price of $8⅜, is 40% above UV level ($6), could rise 115% before reaching OV level ($18). Price is 17.8 times 1957 earnings of 47c per share. There was no dividend in 1957. Price this year has ranged between a high of $8⅞, a low of $5⅛.

Indications are that 1958 earnings will be "comfortably ahead" of last year, **FP** is informed by company officials. It is not known, however, whether the increase will be sufficient to bring earnings per share to last year's level in view of the increase in shares outstanding from 580,000 to 700,000.

Improvement in the company's outlook mainly reflects new contracts ensuring adequate supplies of Canadian propane at substantially lower prices. These contracts, concluded in the last few weeks, permit the company to sell propane competitively with other space-heating fuels over a much wider area, company officials state.

"For the first time in the history of this business we are able to guarantee prices to all our customers through to April 1959," a company spokesman told **FP**. "In certain areas of Alberta and Manitoba reductions have been made in our prices."

Improvement is also due to new arrangements for the company's supplies of tanks, accessories, appliances and parts. Inventories have been reduced substantially below year ago levels as a result, it is stated.

The company's financial position has also been improved by paying off unsecured debenture debt of $965,616 held by **International Utilities Corp.** This has resulted in the removal of restrictions on a number of the company's assets, permitting much fuller integration, particularly in Saskatchewan.

Currently the company has under way a systems study by **Ebasco Services, Inc.**, New York. The object is to streamline administration and reduce costs.

Nestor's Original Reasons for Choice

CANADIAN HYDROCARBONS—Company is in expanding phase, distributing propane throughout the West, from Lakehead to the Rockies. Long-range plans incorporate an endeavor to develop a pipeline to transmit propane, butane, raw gasoline and refinery products from Alberta to Eastern Canada, in which Canadian Hydrocarbons would have substantial interest.

How to Read Nestor's Special Stock Charts

INDEX OF GROWTH: The rate at which the value of the equity behind the stock is doubling as determined by the growth rate at which it entered the year. A figure of 5.6 for the present year would indicate that at its current growth rate the equity value is doubling every 5.6 years.

PRICE RANGE: The annual high, low and mean price. Monthly ranges for the current year.

UNDERVALUATION AND OVERVALUATION PRICE LEVELS: Shown by the narrow horizontal lines above and below the stock's price range indicating price at which the particular stock is adjusted as underestimating or overestimating its future rate of growth. A stock showing a fast growth rate will sometimes anticipate growth by two or three years. In this case it may not be so attractive a purchase relatively as some other fast-growing stock that is not anticipating its growth beyond the immediate present. Other factors such as rate of growth and investment quality will also enter into the comparison an investor will want to make.

Without these UV and OV levels a current quotation of say, 55 or 75 would carry no significance regarding long-range value. The UV/OV levels also permit judgment as between one stock and another. They are not designated points of purchase or sale nor do they attempt to show what will be a stock's bottom or top figures in any given year.

RATE OF GROWTH: The rate as based on Nestor's tests at which the company is showing underlying or long-term growth. This will determine the price trend of the company's common stock over a period of years and in most instances the trend of dividend payments.

**Background and principles behind the selection by Nestor were discussed in a special article in FP, Jan. 10, 1953. A limited number of reprints are available on request.*

Company Reports

Food

EASTERN BAKERIES LTD., Saint John, N.B., net profit of $90,476 for year ended June 30, 1958 was 32.2% lower than previous year's $133,398.

INCOME ACCOUNT

Years Ended June 30:	1958	1957
Net earnings	$345,433	$435,485
Less: Deprec.	152,657	192,016
Taxes	72,300	110,071
Net profit	90,476	133,398
Less: Pref. divds.	27,500	27,500
Com. divds.	15,000	15,000
Surplus for year	47,976	90,898
Earnings per Share and Dividend Record:		
Preferred†	$18.10	$26.68
Preferred‡	5.50	5.50
Paid	4.00+1.50	4.00+1.50
Common	2.10	3.53
Paid	0.50	0.50
†Before (after) participation.		
Shares o/s as at June 30:		
4% Pref., $100 par	5,000	5,000
Common, n.p.v.	30,000	30,000

CONDENSED BALANCE SHEET

As at June 30:	1958	1957
Cash	$55,432	$55,878
Accts. rec. less res.	159,835	169,573
Investments	115,501	150,408
Inventories	330,235	258,226
Total curr. assets	601,003	614,083
Prepd. exps.‡	50,518	35,926
Fixed assets*	1,077,380	936,494
Total assets	1,728,901	1,616,503
Due bank	140,000	
Accts., etc., pay.	236,806	216,076
Taxes pay.	42,631	41,176
Total curr. liabs.	419,237	339,252
Capital stock	500,300	500,300
Earned surplus	808,364	736,951
†After deprec. of	1,375,631	1,164,246
*Incl. in curr. assets in co.'s report.		
Working capital	181,766	284,831

WALTER M. LOWNEY CO., Montreal, net profit of $607,643 for year ended June 30, 1958, was 1.8% higher than previous year's $596,777.

Sales were a record. Chocolate division attained an increase of 9.4% and ice cream division an increase of 1.7%, averaging a consolidated increase of 9.1% over previous year, said President Edmund Littler, Jr.

Company transferred $40,000 this year to reserve for contingencies bringing reserve up to a total of $100,000.

On Jan. 2, 1958, company disposed of its interest in its former subsidiary, **Page & Shaw (Canada) Ltd.**, at a profit of $14,500 on its assets.

The dairy at St. Cuthbert, Que., was greatly expanded during fiscal year, the president says, because of continual sales increases which the ice cream division has shown since its formation nine years ago.

INCOME ACCOUNT

Years Ended June 30:	1958	1957
Net earnings	$1,633,437	$1,512,250
Less: Deprec	471,237	438,701
Bond int & disc.	3,885	5,636
Inc. taxes	545,672	466,136
Amortization	5,000	5,000
Net profit	607,643	596,777
Less: Dividends	207,190	207,190
Surplus for year	400,453	389,587
Earnings per Share and Dividend Record:		
Common	$2.93	$2.88
Paid	1.00	1.00
Shares o/s as at June 30:		
Common, n.p.v.	207,190	207,190

CONDENSED BALANCE SHEET

As at June 30:	1958	1957
Cash	$72,311	$137,784
Mkt. secs.†	6,645	6,645
Accts., etc., rec.	1,584,838	1,522,580
Inventories	2,449,559	2,438,956
Total curr. assets	4,113,353	4,106,078
Def. & prep. chgs.	104,605	126,643
Inv. in subsid.	1,000	7,800
Fixed assets*	2,715,080	2,585,472
Trademarks, etc.	7,500	12,500
Total assets	6,941,538	6,838,190
Bank loan	453,624	789,114
Accts., etc., pay.	1,024,259	949,580
Income taxes pay.	307,768	306,562
Bonds due 1 yr.	50,000	50,000
Total curr. liab.	1,835,651	2,095,256
Funded debt		50,000
Capital stock	2,069,513	2,055,870
Capital surplus	260,036	260,036
Contingency res.	838,912	834,412
Earned surplus	100,000	60,000
†Market value	3,846,326	3,486,486
*After depr. of	27,900	38,600
Working capital	4,802,087	4,184,181
	2,277,702	2,089,119

TRANS CANADA FREEZERS LTD., Toronto, net loss of $133,515 for year ended March 31, 1958, was 51.4% less than previous year's net loss of $274,342.

Sales for the 1957-58 fiscal year were almost double the previous year, President W. S. McLeese said. Much of the 22% increase in operating expenses was due to selling costs which were increased to encourage development of future sales, the president said.

Company plans affiliation with **Interprovincial Freezers Ltd.**, Chatham, Ont. Negotiations are under way, Mr. W. S. McLeese said, whereby Trans Canada will manage Interprovincial.

INCOME ACCOUNT

Years Ended Mar. 31:	1958	1957
Net earnings	$107,440	$344,360
Less: Depreciation	116,802	114,337
b.d. interest	96,213	92,938
Other interest	16,002	16,171
Bd. & deb. disc. etc	6,938	6,536
Net loss and deficit for yr.	133,515	274,342
†Loss.		
Earnings per Share and Dividend Record:		
Com: Earned	d$1.22	d$2.51
None paid.		
Shares o/s at Mar. 31:		
Common, n.p.v.	109,469	109,469

CONDENSED BALANCE SHEET

As at Mar. 31:	1958	1957
Cash	33,203	3653
Accts. rec. less res.	32,584	18,097
Total curr. assets	85,977	18,790
Prepaid expenses*	7,902	14,526
Held acct. a/c n.f.	6,500	153,197
Deferred charges	116,891	123,829
Fixed assets†	2,069,513	2,055,870
Total assets	3,856,781	3,244,512
Due bank	200,000	237,878
Accts., etc., pay.	20,236	20,272
Total curr. liab.	220,236	258,150
Funded debt	1,942,000	2,000,000
Capital stock	562,940	562,940
Capital surplus	453,469	439,489
Less: deficit	536,863	302,367
†After deprec. of	231,139	114,337
*Included in current assets in co.'s report.		
Excess of curr. liabs. over curr. assets	134,259	239,569

Hardware

B. GREENING WIRE CO., Hamilton, net profit of $153,125 for year ended June 30, 1958, was 48.5% lower than previous year's $297,380.

Drop in earnings reflected severe foreign competition and increasing costs of materials and labor, said President H. B. Greening.

Late in 1957, company temporarily discontinued manufacturing hexagon nettings. No firm decision has been made concerning this product's future, Mr. Greening stated.

INCOME ACCOUNT

Years Ended June 30:	1958	1957
Net earnings	$308,428	$780,043
Less: Depr.	212,178	202,913
Bond interest	11,625	13,750
Fed. & prov. tax	131,500	266,000
Net profit	153,125	297,380
Less: Com. divds.	142,500	171,000
Surplus for year	10,625	126,380
Times Bond Interest Earned:		
Before deprec.	43.74	36.73
After deprec.	25.48	41.97
Earnings per Share and Dividend Record:		
Common	$0.27	$0.52
Paid	0.25+0.05	0.20+0.10
Shares o/s as at June 30:		
Common, n.p.v.	570,000	570,000

CONDENSED BALANCE SHEET

As at June 30:	1958	1957
Cash	$121,547	$5,183
Accts. rec. less res.	888,313	1,002,920
Inventories	2,033,975	2,464,627
Total curr. assets	3,041,835	3,472,730
Prep. exp.‡	26,108	17,679
Fixed assets*	1,784,253	1,787,184
Total assets	4,852,196	5,277,493
Accts., etc., pay.	443,756	728,346
Inc. tax pay.	80,885	134,217
Bonds due	75,000	75,000
Total curr. liab.	587,643	948,583
Reserves	250,000	250,000
Funded debt	300,000	375,000
Capital stock	1,300,000	1,300,000
Surplus	2,414,553	2,403,930
*After depr. of	3,574,134	3,306,819
‡Incl. in curr. assets in co.'s report.		
Working capital	2,454,192	2,524,167

LES PREVOYANTS
New head office of **Les Prévoyants du Canada** at 955 Chemin St. Louis, Quebec City, has been opened. Architect was Lucien Mainguy. The 15-year-old company now has more than $175 million insurance in force.

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OCTOBER 15

. . . an important date for holders of

CANADIAN OIL COMPANIES, LIMITED

STOCK
PURCHASE WARRANTS

Canadian Oil Companies, Limited 4% Sinking Fund Debentures 1955 Series originally issued in October, 1955 carried stock purchase warrants entitling holders to purchase 10 Common shares of the Company for each $1,000 Debenture.

Each Warrant entitles the holder to purchase one share of Common Stock of the Company at $27 per share up to and including October 15, 1958 after which date this right will expire.

If you are a holder of any of these Warrants and desire additional information, we shall be glad to supply it. Please address enquiries of this nature to The Secretary.

WHITE ROSE

CANADIAN OIL COMPANIES LIMITED

[illegible] University Avenue — Toronto, Ontario

Market Survey Of Man. Towns

Four more Manitoba towns, Winkler, Swan River, Altona and Steinbach, have been added to a list of nearly a dozen surveyed and described in booklet form.

Obtainable from the information section, Manitoba department of trade and commerce, Winnipeg, the booklets contain information on the history, population, established economy, industry and prospects for future development.

Eight more booklets are being prepared.

New Group Buys Dom. Square Bldg.

MONTREAL (Staff) — Dominion Square Building in Montreal has been sold to a group of Canadian and U. S. investors.

Likely price: $12 million.

Purchasing group was organized by **L. G. Candler Associates** of Toronto which acquired the building from **Webb & Knapp (Canada)**. Built in 1930, the building with 680,000 sq. ft. of office space, will be leased to a Webb & Knapp (Canada) subsidiary on a long-term basis.

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NEW HOMES

From Our Own Correspondent

HALIFAX — New home completions in the Halifax metropolitan area totaled 1,162 for the first seven months of 1958—71 more than in the same period a year ago. Increases were noted in the City of Halifax and seven other districts of the metropolitan area, while decreases occurred in the Town of Dartmouth and three other districts.

Chamber of Commerce

Canadian Businessmen's Blueprint for Progress

- *There are ample opportunities to boost Canada's trade without budging tariffs.*
- *Businessmen must do something about the grave problems threatening our freedom and civilization.*
- *There is too much mediation and conciliation in strikes. Less intervention gives better results to employers, workers and the community.*

These were highlights of speeches at the 29th annual meeting of the Canadian Chamber of Commerce which met at Montreal this week. Some 700 delegates from all 10 provinces attended.

Here are digests, prepared by The Financial Post:

Expand Our Foreign Trade To Offset U. S. Imbalance

C. B. FOWELL, president of C. B. Powell Ltd.:

I am not a believer in so-called free trade for Canada at this stage in her history.

I would not suggest any drastic reduction, for instance, in our general tariff rate in order to encourage imports.

But there is ample opportunity for a substantial increase in our import trade, within the framework of our present tariff rates and customs regulations.

And we should take full advantage of such opportunity with respect to goods from almost every country in the world. We must, however, always keep in mind the great dangers associated with dealing with Communist and Iron Curtain countries, who use trade as a weapon in their attempts to dominate the Free World.

Canada's major problems as a trading nation today are:

—The dangerous imbalance of our import-export trade with the U. S.

—The fact that many customers in the Commonwealth and elsewhere cannot buy from us because they are short of dollars.

The obvious way to solve both these problems is to switch some of our purchases from the U. S. to other countries.

This policy has been adopted and is being applied with some success. Last year Canada's trading deficit with the U. S. was reduced by 20%, while our purchases from the U. K. were increased by about 30%.

This reflects a sensible approach to the problem. We must continue to work along these lines.

I am not suggesting that we should seek to expand our foreign trade with other countries out of any feeling of hostility toward the U. S. That country is, and will remain, the largest customer for many of our products, our best and most convenient source of supply for many goods and materials.

In my travels abroad I have found an almost complete lack of knowledge of the Canadian market and of competitive marketing conditions.

Little is known, for instance, of the difficulties of the two-language market in Canada. Few foreign producers know anything about our import regulations.

In Great Britain there is sometimes a too-easy assumption that a Canadian will respond to the same appeal that makes an Englishman or a European buy.

And, paradoxically, some exporters make the equally bad mistake of believing that we will respond to the exact appeal that has been successful in the U. S.

'U. S. Investment in Canada Does Not Mean Domination'

W. A. McDONNELL, President of Chamber of Commerce of the U. S.:

You have been somewhat incensed at our surplus agricultural commodity sales abroad, because Canada is the world's second largest grower and exporter of wheat. Wheat sales under our surplus program have an impact on your wheat exports.

Our U. S. Chamber does not altogether like the program either.

Our official position is that the program is an acceptable temporary expedient in light of current surpluses, but is justified only so far as, and as long as, it makes a contribution to clearing up excessive domestic surpluses.

These will never be materially decreased if legislation is not enacted that will discourage recurring surpluses caused by artificial production and price stimulants.

We want farmers to produce for markets and not for government storage at artificial prices.

We are also concerned because you feel you are becoming too dependent upon the U. S. as an export market. We certainly cannot blame you for wishing to broaden your trade horizons.

There is no adequate substitute for the forces of the free market.

In 1957, you exported about $3 billion worth of goods to the U. S. and imported about $4 billion worth from the U. S., but the trade deficit was balanced by a flow of U. S. investment into Canada. It seems to me we have been operating pretty much on an even-Stephen basis.

U. S. citizens have more than $13 billion invested in the Canadian economy. This seems to worry many Canadians who feel that it might tend toward domination by the U. S.

Especially, there seems to be a fear that in the event of a U. S. depression — which it seems as though we are not going to have—that Canadian subsidiaries would be closed down in favor of the U. S. parent corporation's production.

Another fear is that the Canadian subsidiary will not be given ample opportunity to participate in foreign markets in which the parent company does business.

And a third fear is that the U. S. parent corporations will not utilize sufficient Canadian managerial and technical person el.

The position of our U. S. chamber on this score is quite simple.

U. S. capital has gone to Canada in search of profit. We feel it has been useful to you in making the economic progress that you have made and are making.

U. S. capital likes to invest in other economies which are essentially in tune with ours. That is only natural. But if there is anyone in my country who is thinking in terms of trying to dominate the Canadian economy, I have yet to meet him.

CNR Accounts Show Aug. Gain

MONTREAL (Staff) — During August — for the second consecutive month — **Canadian National Railways** showed an operating profit.

However, once again the profit comes from an adjustment in accounting procedures and not from an upswing in railway business (**FP**, Sept. 6).

Net operating profit for August was $591,000 compared with a $86,000 deficit for the same month last year.

Revenues were down — $59.2 million this year, $65 million last year.

The figures show:

	AUGUST 1958	1957	Decrease
Op. rev.	59,239,000	64,964,000	5,725,000
Exp., taxes, rents	58,648,000	65,050,000	6,402,000
Net op. inc.	591,000	d86,000	†677,000
	EIGHT MONTHS FROM JAN. 1		
Op. Rev.	464,087,000	519,407,000	55,320,000
Exp., taxes, rents	481,066,000	510,731,000	29,685,000
Net op. inc.	d16,979,000	d8,656,000	25,635,000

† Increase. d Deficit.

Long-Term Financing For Exports

F. T. SHERK, president of H. J. Heinz Co. of Canada:

Long-term financing would be a tool for increasing Canadian exports.

At present Canadian producers of capital equipment are unable to compete in the export market in view of a definite lack of facilities for long - term financing.

What Canadian exporters of this type of equipment need is an institution along the same line as the Export-Import Bank in Washington, D.C. This would enable us to offer our products on the export market not only at competitive prices but at competitive terms.

Canadian companies manufacturing a wide range of products and offering engineering services have been unable to compete effectively in foreign markets. The chief drawback has been their inability to offer credit comparable to that available from other countries, notably the U. S.

Canadian banks recognize the need for better term financing facilities for exporters and the fact that terms offered by other nations—generally seven years and more—are beyond any they could make available.

The setting - up of adequate facilities would:

—Help the unemployment picture.

—Assist in counteracting the Russian economic offensive and its political overtones, thus further emphasizing Canada's concern for the rest of the world.

—Assist in implementing the economic aspects of NATO.

HOTTER THAN BLAZES

WOLVERINE

TUBEmanship in ACTION

It's a rare broth, indeed, that is cooked in the electric induction heating casting furnaces of Wolverine Tube's new $7,000,000 tube mill in London, Ontario.

There, refined copper—the very finest obtainable in Canada—is melted at carefully controlled temperatures. While the heat is on, laboratory samplings assure that when the molten metal is poured it will meet government, industry and customer specifications—as well as Wolverine's own high standards of quality.

This testing insures a quality controlled start for the copper and copper alloy tubing that is extruded for further processing through Wolverine's modern, new plant. It is then carefully guided throughout the entire manufacturing process by a rigid statistical quality control programme.

Wolverine tubing is manufactured for use in the plumbing, heating, refrigeration, processing and general metalworking industries. If your company requires copper or copper alloy tubing why not try Wolverine—get a product that is made the TUBEMANSHIP way.

For complete information about Wolverine products and services write for a copy of the General Products Catalogue.

WOLVERINE TUBE
DIVISION OF CALUMET & HECLA OF CANADA LIMITED
LONDON, CANADA

New U.S. Standard For Diamond Tools

A new U. S. standard covering classification, designation, definition, and shank dimension tolerances of diamond tools used for dressing or truing grinding wheels has been established by American Society of Tool Engineers.

The new standard is the result of a six-year co-operative effort by the society and the Industrial Diamond Association of America. It has been approved by the American Standards Association.

It is expected to provide a working guide useful to diamond tool fabricators, machine tool builders, and users of diamond tools.

Chamber of Commerce

Aid Freedom by Investing In Under-Developed Lands

A. E. GRAUER, president and chairman of British Columbia Power Corp.:

The fate of freedom rests basically with the individuals of this world.

In geological time, these individuals are just recently out of primeval slime. Psychologically, they are full of dark places, irrationalities and cruelties, besides the selflessness and nobility that our poets and religious teachers have so often told us about.

At the root of things, therefore, we have a diverse and slippery element—the individual—who can by no means be counted upon to do the right thing as a matter of course.

Yet he responds to good environment, wise leadership and is capable of tremendous feats of analysis, learning and invention.

In a world where freedom would be destroyed by an all-out nuclear war, the not unnatural ambitions of underdeveloped countries provide one of the most constant possibilities for world war.

For this and other reasons an essential step on behalf of freedom is the framing of effective policy by the democratic nations for assisting the economic growth of underdeveloped countries in an orderly way.

What has actually been happening, in the words of Gunnar Myrdal, is that western countries "are exporting to the underdeveloped countries the revolutionary idea of the welfare state—which is the final result of generations of stern capital accumulation, economic progress and national integration under exceptionally favorable circumstances.

"They are supplying them with some technical advice but not with the requisite capital."

The providing of "requisite capital" to underdeveloped countries seems not only necessary to cut down the possibility of world war but is, in the minds of most economists, necessary for the continued prosperity of the highly developed countries.

Turning from the international field to domestic politics, one could say with assurance that an alert citizenry would both preserve and extend freedom. How to bring about an alert citizenry is another matter.

Many things could help. The quality of political leadership is one. People respond to good leadership.

The allied question of the number and quality of those presenting themselves for public office is important.

Almost everyone agrees that more of our first-rate people should go into public life but no one seems to know how to bring this about.

Probably the larger part of the answer lies in the long-run presumption that the electorate will gradually gain in education and judgment; and that a higher and more informed level of politics will attract more able persons on the average.

Remember also that the pace and increasing complexity of modern life has more and more cut off the people of experience, background and education from the broader and deeper aspects of their times and robbed us of potential leadership of inestimable value in various aspects of our life.

This unbalanced situation is not a happy one for the future of freedom.

The development of freedom, then, is directly associated with the ability of scientific, professional, business and occupational groups to rise above their limitations — selfish and otherwise—and try to understand and do something about the broad problems that threaten both our freedom and our civilization.

Nowhere is this dilemma more clearly pointed up currently than in the field of trade unionism.

The struggling "friendly associations" were early given the warranted helping hand of special status in the law because of their relative weakness and the socially desirable nature of the improvements they were trying to achieve for their members.

These trade unions historically achieved wonderful things, but they have now become powerful organizations capable also of great harm, not only to citizens generally but also to their own members.

One would expect appropriate duties and responsibilities for such organizations to be clearly laid down by the law—which they are not—as well as their rights and privileges — which are.

The basic type of trade union leader has all the ordinary problems of what is fundamentally a political position.

But these are greatly magnified and intensified by other influences of a critical nature.

The lack of prescription of adequate elementary rights in many unions, such as the holding of elections for officers, and the secret ballot, has meant that the man with the undisciplined ego—who seems so prevalent in modern times—has been able to take over and to run given unions as his private domain.

Particularly in Canada, the straightforward type of trade union leader has been faced with another problem, the achieving of trade union leadership by socialists and communists who are politicians first and trade unionists second.

In view of the complexity and importance of the trade union situation, it is probable that some basic definition of the responsibilities of trade unions will be necessary by statute; as well as some protection for the individual liberties of the rank-and-file.

Chamber President Hits Out At Unrealistic Wage Demands

RALPH C. PYBUS, president, Canadian Chamber of Commerce:

If Canada is to maintain a high standard of living, if we are to complete blueprints which can provide a real guide to future progress, then employer and employee, management and union leaders must work together in harmony and mutual trust.

It is most unfortunate that some have been reported as saying such as stated in the Labour Statesman of Aug. 29—"the biggest threat to trade unions is the backroom planning by industrial tycoons, lawyers and politicians aimed at setting up a new labor code to break organized unions."

This is not true!

Business and community circles from coast to coast show a generous recognition of the contribution which our labor unions have made toward the welfare of workers, and to society.

There is, however, a growing deep apprehension as to where a small but dominant and strong union leadership may lead our country.

So long as business leaders and the leaders of organized labor fail to come to agreement on basic economic principles and on our common need, then the strife which plagues relations between management and union leaders will continue.

When management and union leaders cannot reach an agreement and disregard their community responsibilities, it is right that governments provide adequate legal machinery to protect the rights of employee, employer and public.

I think in terms of permanent specialized industrial boards with qualified advisers to assist the presiding judge. The cost of such would be over-shadowed by a great saving to our economy.

On trade: Canada is a great trader. From the formation of the first Board of Trade and Chamber of Commerce on this continent at Halifax in 1750, we have continued to grow as a trading nation—at a greatly accelerated rate in recent years.

We must sell and export in large quantities if we are to retain our high standard of living and continue to employ our increasing numbers of working people. More than 23c out of every dollar in our pockets comes from export sales.

Of wide concern is our continuing cost inflation, our continuing cost-price squeeze.

We know that sooner or later we must bow to the buyers or we price ourselves out of our markets.

We Canadians must resist the popular urge to turn to governments for more and more, for this simply means more taxes which must be written into our costs.

As with taxes, so our continuing year-by-year unrealistic wage demands must be restrained.

When wages increase at a faster rate than the increase in productivity, the result is increasing costs and higher consumer prices, showing a loss in the purchasing value of our dollar.

It is the thinking of our Canadian Chamber of Commerce that efficient productivity is the key to our continuing prosperity and our defence against the cost-price squeeze.

- We must increase our engineering skills, our research and technological developments.
- We must increase efficiency in management and in government, and create a desire in the worker to be interested and industrious in his work.

It will require co-operation between labor and management and a realization that labor, management, government and capital are a team.

Intervention May Do Harm In Disputes with Labor

VIRGIL B. DAY, manager, union relations, General Electric Co.

The U. S. and its various political subdivisions have experimented with almost every form of governmental intervention in industrial disputes.

We have tried compulsory arbitration, fact-finding, seizure of industrial plants, strike vote provisions, strike notice provisions, as well as mediation and conciliation.

We have had a taste of ad hoc presidential intervention at the federal level and gubernatorial and mayoral intervention at the state and local levels.

The net effect of all of this experimentation leads to this conclusion:

The less intervention there is, of whatever form, the more satisfactory will be the results to employers, employees and to the community at large.

The main problem with mediation and conciliation is that there is too much of it. There is no question that a mediator can perform a real task in bringing parties seemingly far apart together.

Premature intervention in labor disputes on the part of mediators, however, tends to make some union officials more intransigent. Too often, the mediator arrives just as soon as the initial union demands have been rejected.

Then extreme political pressure is placed upon the mediator to transform himself into a vehicle for realization of unrealistic union demands.

It is extremely difficult for the mediator to resist such pressure. His job is to obtain a peaceful settlement. He does not have to live with the settlement. Nor does he have to be concerned with the character of the settlement.

Strike notice legislation is designed to prevent quickie stoppages by giving the employer, and usually a government agency, notice of an impending stoppage usually 10 to 60 days before the strike may be called.

Such notices have been extremely ineffective as strike preventatives because no actual cooling-off period occurs.

The general procedure is for the union to give a perfunctory notice as soon as bargaining commences, thus legalizing beforehand any action the union might take.

Strike vote legislation is often suggested, particularly by employer groups, both to improve the conduct of union government, and to reduce the propensity of union officials to call strikes.

Essentially, strike vote laws require an affirmative vote by a majority of workers involved, or a majority of those attending a meeting, or a majority of those belonging to a union, before strike action can legally be taken.

Whatever the details of the legislation, the results have been remarkably the same:

The union asks, and receives a bargaining club; **an overwhelming percentage of the employees in an overwhelming percentage of cases invariably vote to strike.**

The net effect is to arm the union with additional authority and backing for negotiations.

Intervention of the President, governor of the state or a mayor occurs from time to time.

Often, unwitting parties are pressured by such intervention into a position or a settlement which may be unsatisfactory, uneconomic and difficult to live with, but the time to protest such intervention is when it occurs.

When the consequences appear, it is too late.

The new Donald "Talurit*" Safety Lifting Sling grips every load firmly and without slip, yet it is so gentle that even the most fragile merchandise can be handled with confidence and safety.

The heavy duty, high grade rubber sleeves bind the steel sling ropes, protecting them and prolonging the life of the sling. The rubber sleeves are arranged to ensure a firm hold on the load, even when the load is of an awkward or irregular shape.

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If you are considering floor coverings for new office space, or renovating your present offices, just think of this: *a floor carpeted with Harding costs less to maintain than a non-carpeted floor under any use condition.*

Indeed, tests show that even under heavy traffic conditions carpet cuts maintenance costs by 50%.

A Harding carpet means many other things, too—beauty and warmth to create an atmosphere of prestige and dignity—soft comfort and quiet, so conducive to increased efficiency. Harding designs are available in a variety of weaves and qualities to meet your requirements. Your Harding dealer can give you full details.

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FP.2

Town Crier

In days gone by the Town Crier played an important role in the community. He carried news, information, gossip and all the other bits and pieces that comprised the daily happenings of the community. Today, the daily newspaper fills his position and every year it reaches more people in more places than ever before.

Each year the world population increases at the rate of 43 millions. This means that by the turn of the century it will be double what it is today. Couple this with a rising literacy rate and it is obvious that the ability of the newsprint industry to supply the demand will soon be overtaxed.

It is with these growing markets of the future in mind that the Bowater Organization is constantly developing and improving its facilities to meet the requirements of quality and quantity for its customers throughout the world.

Bowaters

THE BOWATER CORPORATION OF NORTH AMERICA LIMITED MONTREAL

Mills at: Corner Brook, Newfoundland • Liverpool, Nova Scotia • Calhoun, Tennessee

A MEMBER OF THE BOWATER ORGANIZATION

Specially Illustrated for Bowaters by Walter Yarwood.

ON HIS WAY TO WORK, a customer drops off an order at drive-in supermarket. He picks up his groceries from the same window on his way home.

IT'S A BOOMER

Drive-In Supermarket Gimmick for Suburbia

Special Correspondence

LINDEN, N.J. — Here's an idea for alert suburban retailers on the main highways into Montreal, Toronto and Vancouver.

Ever thought of a drive-in supermarket?

Larry and Joseph Di Leo have opened one in this New Jersey suburb, and they think it's a boomer.

- **Customers drive in on their way to work,** leave their orders, then pick them up on the way home. All without leaving the car.
- **Some phone in their orders,** pick them up by car later.
- **Others simply drive in,** pick up small purchases and go — without setting foot to ground.

How does it work?

Floor clerks in the market put up the orders. A window clerk checks out the merchandise.

The customer never leaves the car.

The drive-in window is cut into the centre of a wall of a conventional building.

There is no other exposure of the store interior to the drive-in trade.

A wooden canopy over the window protects both the driver and the checkout clerk from the weather as the transaction is completed.

The drive-in window counter is at approximately the same level as the car window so that purchases are easily handed from clerk to driver.

Large arrows on the building wall designate the drive-in window and another arrow points to where cars should enter.

The drive-in lot is large enough to accommodate a line of waiting cars so there is no congestion on the highway.

Another feature of the new operation is a washmobile where the motorist may get a fast automatic car wash.

This is in a separate traffic lane and does not interfere with the drive-in grocery trade.

Larry Di Leo says customers "love" the new drive-in supermarket shopping idea.

He sees a big future for drive-in windows not only in the supermarket trade but in many other types of business.

He predicts they will bring a new era in retail merchandising.

The Di Leos are now considering expanding the operation, with grocery girls serving customers right in their parked cars.

One New Plant Will Replace Three Others

MONTREAL (Staff)—A new paper specialty manufacturing plant to replace three older ones will be built in suburban Montreal by **Canadian International Paper Co.**

Cost of the Pointe-aux-Trembles plant — to be constructed for subsidiary **Continental Paper Products Ltd.** — is set at $2.5 million.

It will employ about 350. Construction is to begin this month, with completion in mid-1959.

The plants to be replaced are now operated by Continental in Ottawa and Cap-de-la-Madeleine. Company says it's expected work will be available in Pointe-aux-Trembles for many present employees.

The new one-story brick plant will have an area of 200,000 sq. ft., be close to the plant of **Hygrade Containers Ltd.**, another CIP subsidiary.

Rail-Trucker Fight Looms Over Piggyback Benefits

MONTREAL (Staff) — Another bone of contention is being tossed into the rail-trucker dogfight for more business.

Basically, the issue in the upcoming fight will be:

Who is to win most of the benefit from the strong trend toward piggyback — highway-trailer-on-flatcar — which now reaches from coast to coast in Canada.

It has three angles:

- **Possible rail transport of trailers owned by shippers themselves**—and by freight forwarders—rather than by trucking companies.
- **All-rail-owned piggyback, which already exists in Canada, conceivably could be greatly expanded.** In this, the railway itself owns the trailers directly.
- **Rail purchase of trucking companies. Canadian Pacific Railway already has made this a major transport trend, Canadian National Railways** reportedly is still considering purchase of truck companies.

This approach allows railways to own many of the trailers which they carry piggyback when the service is available to independent truckers.

The first of these developments is presently causing a furore in U.S. circles — one which could easily move north to Canada.

Basically, it's an offer by the railways of piggyback service to shippers and forwarders owning their own trucks.

It does two things which worry truckers.

It encourages large shippers to build their own trucking fleets, rather than use for-hire trucks.

A manufacturer who buys a fleet of trailers for use in piggyback **is also likely to want to use them in a fully integrated trucking operation to fill most or all its highway transport needs.**

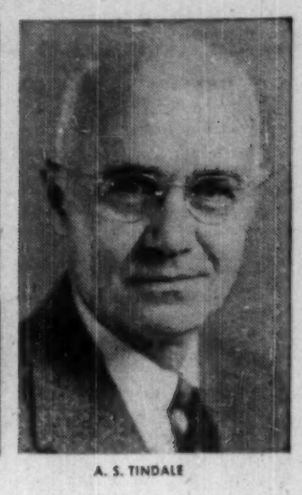
And, of course, this kind of special rate deal tends to squeeze truckers out of some of their piggyback business.

ANNOUNCEMENT

KRUGER ORGANIZATION

L. P. FOURNIER

E. S. J. BUDD



A. S. TINDALE

As a result of the continuing growth of the various companies which compose the Kruger Organization, Mr. B. J. Kruger, Senior Vice-President of the Organization, announces the following executive promotions:

Mr. L. P. Fournier, who has functioned as Secretary, Treasurer and Comptroller for the Organization, will become Vice-President and Treasurer.

Mr. E. S. J. Budd, formerly Comptroller of Richmond Pulp & Paper Co. of Canada Ltd. in Sherbrooke, Quebec, will become Comptroller for the Organization, in Montreal.

Mr. A. S. Tindale, who has been active in many phases of Head Office operations, will become Secretary for the Organization.

Defence Contracts

Canadian firms were awarded contracts worth $10,668,899 by the Department of Defence Production and Defence Construction (1951) Ltd., during the first half of August.

The largest contract, valued at $3,100,000, was placed with **Avro Aircraft Ltd.,** Toronto, for the supply and repair of airframe components. **Canadian Fairbanks-Morse Co.,** Montreal, received a contract for ships' machinery amounting to $1 million.

Rediffusion Inc., also of Montreal, received one for a tactical trainer valued at $845,425. **Dominion Coal Co.,** Halifax, was asked to supply $421,981 worth of coal.

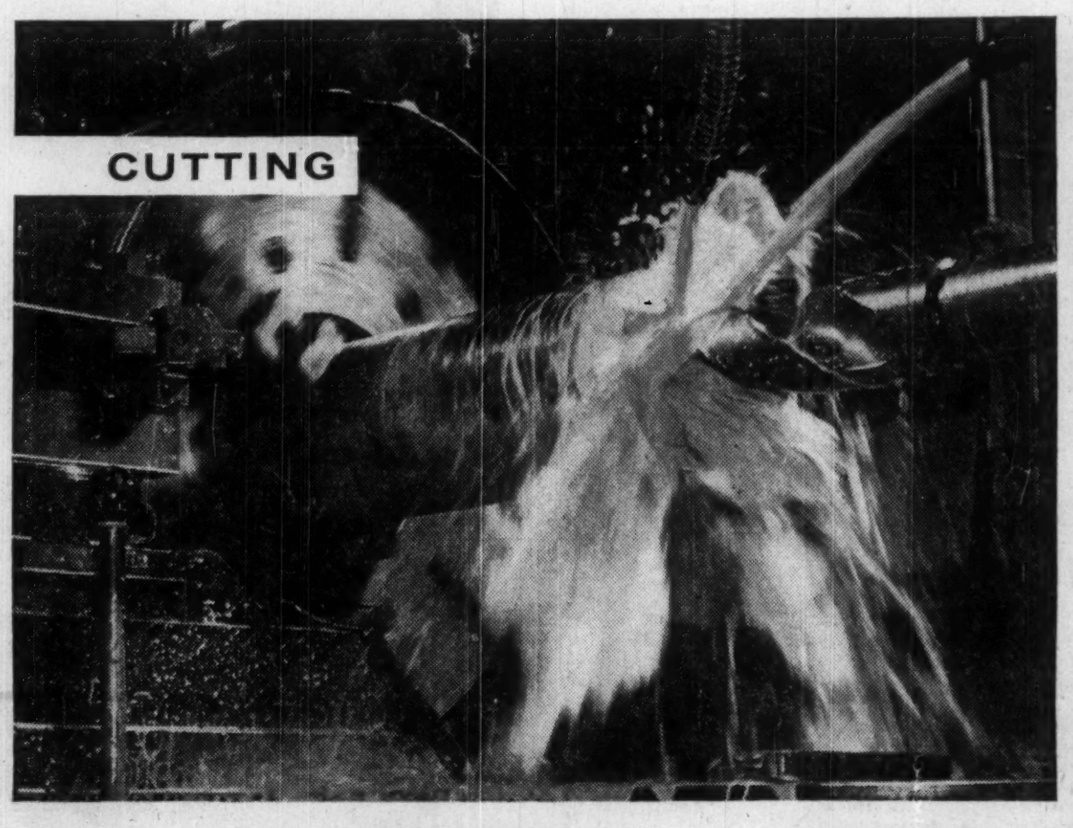
The list, which excludes anything in the "secret" category, is as follows:

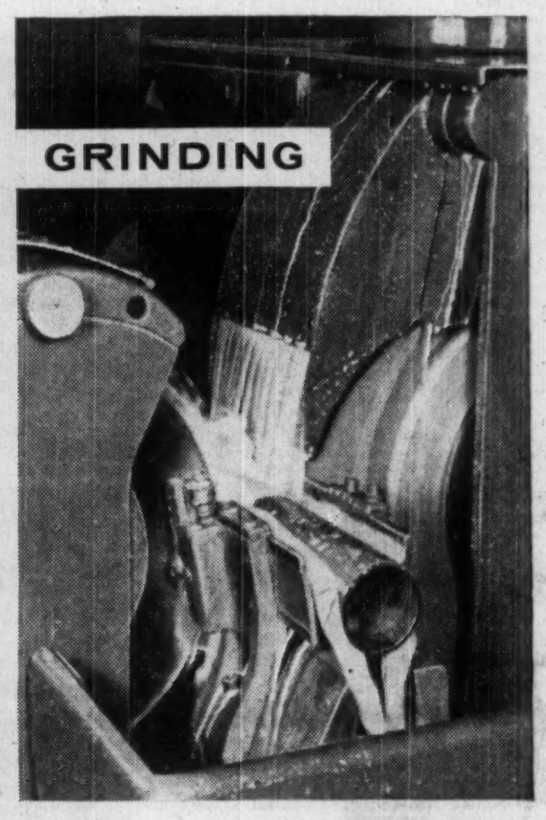
Department of Defence Production
Aug. 1-15, 1958

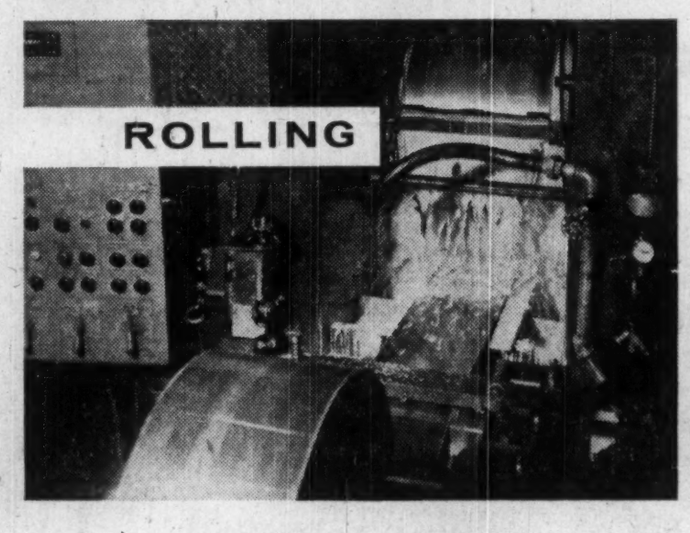
Contractor	Commodity	Value
Henry Allen Ltd., Petawawa, Ont., hauling of coal		$ 20,125
Avro Aircraft Ltd., Toronto, airframe components, repair, etc.		3,100,000
Bell Telephone Co., Ottawa, maintenance of telephone plant		10,000
Bristol Aircraft Ltd., Winnipeg, Man., aircraft modification kits		25,201
B.A. Oil Co., Toronto, fuel oil		32,520
Gordon Campbell Ltd., Vancouver, clothing		27,535
Canada Foils Ltd., Toronto, electronic equipment		101,505
Canada Packers Ltd., Halifax, N.S., meat		22,980
Canadian Arsenals Ltd., Ottawa, armament equipment		24,294
Cdn. Collieries Resources Ltd., Victoria, coal		24,692
Cdn. Fairbanks-Morse Co., Montreal, ships' machinery		1,000,000
Cdn. Flight Equipment Ltd., Cobourg, Ont., aircraft components		114,000
C.G.E. Co., Cobourg and Toronto, ammunition boxes, electronic equip., etc.		111,942
Cdn. Liquid Air Co., Halifax, oxygen gas, etc.		37,961
Cdn. Marconi Co., Montreal, airborne doppler navigation equipment		730,000
Chrysler Corp., Windsor, Ont., trucks		169,014
Community Coal Co., Dartmouth, N.S., coal		29,560
Consolidated Supply Co., Halifax, freon gas		14,210
Corbeil Ltd., Montreal, footwear		20,670
S. Cunard & Co., Halifax, coal		76,220
De Havilland Aircraft Ltd., Toronto, technical publications		10,000
Dominion Coal Co., Halifax, coal		421,981
Dustbane Manf Co., Ottawa, floor polish		73,167
Dyment Ltd., Montreal, targets		15,563
Electric Storage Battery, Toronto, batteries		39,694
Field Aviation Co., Ottawa, aircraft fabric		19,440
Four Wheel Drive Auto, Kitchener, Ont., snow removal equipment		107,885
Garret Manf. Corp., Rexdale, Ont., aero engine components		27,303
Hughes-Owens Co., Ottawa, instruments		39,420
Instruments (1951) Ltd., Ottawa, photographic equipment		10,441
I.B.M. Co., Ottawa, rental of office machines		73,453
Irvin Air Chute Ltd., Fort Erie, Ont., parachute spares		22,281
Kendall Co. Ltd., Toronto, medical supplies		15,318
Kingham-Gillespie Coal Co., Victoria, coal		101,318
Laval University, Quebec, Que., research contract		24,488
Lefebvre Freres Ltd., Montreal aircraft accessories		11,000
Ernst Leitz Ltd., Midland, Ont., telescopes		68,588
Lewis Ltd., Truro, N.S., clothing		23,995
Martin-Baker Aircraft, Collingwood, Ont., aircraft armament equipment		76,645
Measurement Eng. Ltd., Arnprior, Ont., aircraft power supply testers		30,347
John Millen & Son, Montreal, power tools		18,881
A. Miller Inc., Montreal, mattress covers		12,456
Mussens Canada Ltd., Montreal, engineering equipment		19,629
Northern Electric Co., Ottawa, transformers		10,946
Oxford Furniture Manf. Co., Toronto, furniture		21,295
Philco Corp., Don Mills, Ont., technical services		50,156
R.C.A. Victor Co., Montreal, technical services		44,934
Rediffusion Inc., Montreal, tactical trainer		845,425
Rochester & Pitts. Coal Co., Toronto, coal		44,800
Frank T. Ross Ltd., Scarborough, Ont., insecticide		10,515
Royal Metal Manf. Co., Galt, Ont., furniture		15,126
Russel-Hinwell Engines Ltd., Halifax, spares for ships' machinery		11,591
William Scully Ltd., Montreal, insignia		10,846
Sparton of Canada Ltd., London, Ont., radar equipment		636,949
Standard Tel. & Cables Manf. Co., Montreal, communication equipment		462,445
Pierre Thibault Ltd., Pierreville, Que., fire fighting equipment		21,659
Titania Electric Corp., Gananoque, Ont., research development contract		52,071
Union Carbide Ltd., Toronto, batteries		49,640
U. S. Steel Export Co., Montreal, engineering equipment		11,995
Valley Camp Coal Co., Toronto, coal		20,197
Victoria Coal & Heating Ltd., Victoria, coal		22,060
Wallace Woodworkers Ltd., Sussex, N.B., ammunition boxes		33,000
Weaver Coal Co., Montreal, coal		37,425

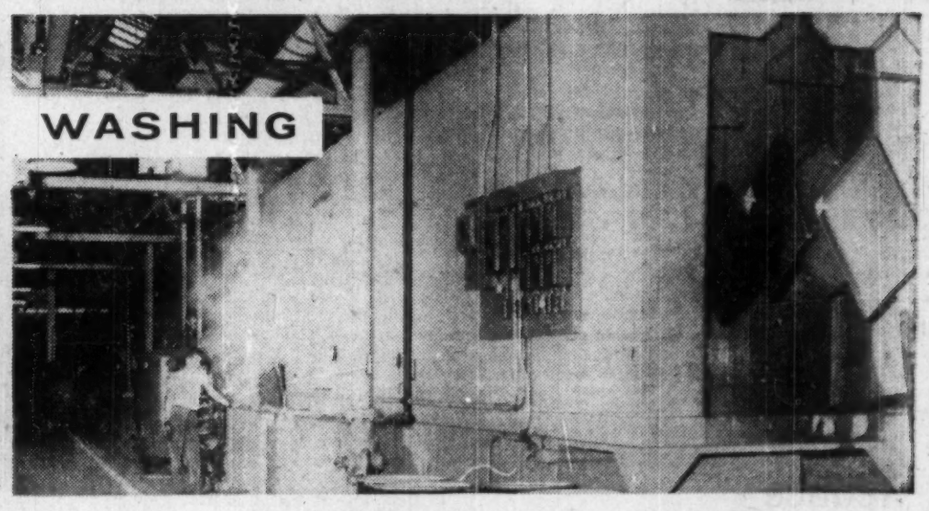
Defence Construction (1951) Limited
Aug. 1-15, 1958

Contractor	Work description	Value
Acadia Construction Ltd., Bridgewater, N.S., construction of armament buildings—Greenwood, N.S.		$ 240,000
Asphalt Services Ltd., Saskatoon, reconstruction of roads—Saskatoon, Sask.		27,434
Bay Company B.C. Ltd., New Westminster, B.C., coal fired steam boiler—Vancouver		19,746
Boreal Construction Co., Ottawa, construction of two-story building—Rockcliffe, Ont.		259,263
Bradley Air Services Ltd., Carp, Ont., brush control—Gagetown, N.B.		47,730
Cameron Contracting Ltd., Halifax, concrete water reservoir—Greenwood, N.S.		23,000
Evans Contracting Co., Willowdale, Ont. grading, seeding, etc.— Uplands, Ont.		73,742
G. M. Geest Ltd., Montreal, underground fire alarm and telephone ducts—Barriefield, Ont.		30,891
C. Jobin Ltd., Quebec, Que., construction of building with heating plant—Chicoutimi, Que.		31,350
Donald McLaren Ltd., Toronto, combined control tower—Toronto		38,785
Nelson River Const. Ltd., St. Boniface, Man., aircraft parking areas—Rivers, Man.		13,365
Newton Construction Co., Sherbrooke, Que., armament buildings—Summerside, P.E.I.		249,300
A. D. Ross & Co., Montreal, switchboard—Halifax, N.S.		26,239
M. J. Sulpher & Sons Ltd., Ottawa, command receiver building—Haven, Ont.		108,883
Tatham Co., Belleville, Ont., drill hall floor—Trenton, Ont.		16,900
Taylor Decorating Ltd., Calgary, painting—Wainwright, Alta.		16,989
Yarrows Ltd., Victoria, oil storage tank—Esquimalt, B.C.		26,575









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"EXPANDING IN CANADA WITH CANADA"

Industrial Products Department

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Market Comment

What stocks and bonds are doing and what prominent observers say

The current market move is beginning to take on a more speculative aspect. Activity both in New York and Canadian markets is spreading into lower-price issues. The strong action in New York plus a gradually improving price tone on the world metal markets has set the stage for some of the heaviest speculative action in Canadian mining stocks this year.

But the big feature of the past week has been the strength in Canadian oils and gas pipeline stocks.

The spreading belief in investment circles that the interim Borden energy report is coming this month and that it will contain favorable recommendations on gas export is behind the strength in gas pipeline stocks.

The action in oils is a little harder to understand. There certainly has been no favorable turn in the oil export outlook to date. Gasoline marketing continues as sharply competitive as ever and earnings in the last quarter are going to have to jump substantially to overcome the disappointing results of the first half year.

* * *

ARNOLD G. PLAXTON, Intercity Securities (Toronto)

One good reason why the stock market continues upward is that many stocks still have exceptional value at current prices.

It has been emphasized in some quarters that stocks are outrunning current earnings and dividends. This is certainly true in many cases but we do not believe that current earnings on dividends should be the determinant of prices. Rather, it is future earnings that we should consider especially where they can be projected with reasonable assurance.

The natural gas industry, for instance, seems sure to have great expansion in Canada in the next several years.

Consumers' Gas Co., which serves the most densely populated area in Canada should fully share in the industry's growth. It does not seem too much to expect that Consumers' Gas will increase its net profit an average of 15% a year for the next ten years.

We also believe that a low dividend yield should not be a deterrent to purchase of a stock where prospective earnings are satisfactory. An extreme case of this kind is **Canadian Tire** which with earnings of $14 a share pays only 70c a year in dividends.

But Canadian Tire is a growth company with sales and earnings increasing every year and with surplus earnings re-invested to good advantage in a very well managed organization.

Surely this is better than receiving high dividends subject to taxes.

Moore Corp. is another stock which should participate in Canada's growth, and which combines a moderate dividend return with excellent chances for appreciation.

* * *

O'BRIEN & WILLIAMS (Montreal)

It appears that the fear of inflation has been the dominating factor contributing to the strength in the stock market. In fact, in spite of the increasing spread between bond and stock yields, pension funds have tended to increase their purchases of common stocks as a hedge against inflation.

Until very recently institutional buying has dominated this side of the stock market, but now two developments have occurred that, together, indicate that the speculative interest is increasing.

First of all, on the New York Stock Exchange the volume of trading in low priced issues has recently risen quite sharply.

Secondly, we are beginning to see considerable activity in the Canadian mining market.

Ever since last June U. S. Government bonds have been declining steadily. Here again it is the fear of inflation which has not only made bonds less popular, but has also caused the U. S. Federal Reserve Board to begin tightening up on credit.

There are three possible developments in the money market that could eventually have an adverse effect on the stock market and should, therefore, be watched closely:

1—**If bond prices continue to decline** substantially, yields might reach a level that would cause switching from stock to bonds by some investors.

2—**The very weakness in the bond market** could result in a major increase in the volume of equity financing. The relatively small amount of equity financing this year, together with steady institutional buying has contributed importantly to the extent of the rise in stock market prices.

3—**The U. S. Federal Reserve Board** has hinted that, if necessary, it will tighten credit materially in order to counteract inflationary trends in the economy.

* * *

A. M. KIDDER & Co. (New York)

A dominant market influence in recent weeks has been fear of inflation. While there seems little likelihood of a runaway price rise in the near future, the expected large budget deficit and recurring military flare-ups lend some credence to apprehension concerning the future.

The stock market, after the decisive penetration of a long-term resistance level by the D-J industrial average, may be in a position to extend its advance in the next few weeks.

Further active strength, however, might set the stage for a technical correction around the time when year-end tax selling becomes a tangible influence.

A material extension of the advance, therefore, might present an opportunity to reduce holdings. Tax selling is not likely to be a significant influence before October, and by the end of November it usually is discounted.

ANNOUNCEMENT

ON PENMANS BOARD

JOHN F. BAILLIE

G. W. GRIER, President of Penmans Limited, announces the election to the Board of Directors of JOHN F. BAILLIE, to replace C. B. Robinson who has resigned from the Company. Mr. Robinson was Secretary-Treasurer of the Company for 37 years and elected to the Board in 1942.

Mr. Baillie is a Director and Secretary of Dominion Oilcloth and Linoleum Company, Limited, Montreal. His father — the late Mr. Archie F. Baillie — was a former President, and his grandfather, Mr. John Baillie, a former Director of Penmans Limited.

Government Bonds

(Supplied by Investment Dealers' Assoc. of Canada)

Oct. 7, 1958.

% Due	Bid	Asked
Govt. of Can. Bonds:		
3 Perpetual ...	79	80¼
2½ June 1967/68.	90¼	92
3¼ Jan. 1975/78.	91¼	92¼
3¼ June 1974/76.	88¼	89¼
3¼ Mar. 1968/98.	88¼	90
2½ July 1959 ...	99¾	100
3 Oct. 1959 ...	99¼	100¼
3 Dec. 1960 ...	99¼	99¾
3 May 1961 ...	99¼	99¾
3¼ May 1970 ...	93¼	85
3¼ Oct. 1979 ...	87	88¼
2¾ Apr. 1960 ...	99¾	99¾
3 Dec. 1961 ...	99	99¼
3¼ Sept. 1965 ...	97¼	98¼
4¼ Sep. 1972 ...	99¼	99¾
4¼ Sep. 1983 ...	98¼	99¾
Cdn. Nat. Railways:		
3 Jan. 1958/59.	99¾	100¼
3 Jan. 1961/66.	94	95¼
2¾ Sept. 1964/69.	89¼	90¾
2¾ Feb. 1961/63.	96¼	97¼
2¾ Jan. 1964/67.	91¼	92¼
3¼ Feb. 1972/74.	92¼	93¼
4 Feb. 1981 ...	91	92
Int. Bank of Reconstruct. & Development		
3¼ Apr. 1965 ...	92¼	94¼
3¼ June 1969 ...	91¾	93¼
C'wealth of Australia:		
4 Nov. 1970 ...	90	92
Prov. Govt. Bonds		
Alberta Tel. Gtd.:		
4¼ July 1976/78.	91¼	93¼
British Columbia:		
3 June 1964 ...	91	93
Pac. Gt. East. Rly. Gtd.:		
4¼ Dec. 1987 ...	94	96
Man. Hydro:		
5 July 1975/77.	98	100¼
Manitoba:		
3 Oct. 1965 ...	90	92
Nova Scotia:		
4¼ Dec. 1975/77.	96	98
5 June 1975/77.	97¾	99¾
New Brunswick:		
4¼ Oct. 1968/71.	95	97
5 Oct. 1975/77.	97¼	99¼
Ontario:		
4¼ Dec. 1962/63.	99¾	101¼
4 Jan. 1966/68.	95¼	97
4¼ Dec. 1974/76.	94	96
Ont. Hydro:		
4¼ Nov. 1964/67.	96¼	98
4 Apr. 1966/68.	95	96¼
3 Nov. 1967/69.	86¼	88¼
4¼ Oct. 1972/74.	94	96
4¼ Aug. 1972/75.	97	98¼
5 Apr. 1974/77.	98¼	100¼
3¼ Oct. 1974/79.	85	87
Quebec:		
4¼ Jan. 1974/77.	97	99
Quebec Hydro Commission:		
5 Nov. 1980/82.	98¼	100¼
Saskatchewan:		
4¼ Nov. 1974/76.	93¼	95¼
3¼ Oct. 1962/65.	94¼	96¼

Record of Finance

Sales by Municipalities, Provincial and Dominion Governments. Offerings of Corporations and Securities.

DOMINION

Government of Canada Treasury Bills — Due Dec. 24, 1958, $115,000,000. Issued Sept. 25, 1958. Sold at $99.450 to yield 2.27%.

Government of Canada Bonds — 2½% and 2¾% bonds, due July 1, 1959 and Apr. 1, 1960, $600,000,000. Offered at $99.80 and $99.70 through dealers and banks.

MUNICIPAL

Township of Wainfleet, Ontario — 5½% debentures, due Oct. 1, 1959-78, $83,300. Issued Aug. 30, 1958. Bought privately by Bell, Gouinlock & Co. Ltd. and The Imperial Bank of Canada.

School Commission for Mun. of Bic, Que. — 4½% and 5% debentures, due Sept. 1, 1959-68-78, $39,000. Issued Sept. 15, 1958. Sold at $96.18 to Placements Kennebec Inc.

School Commission for Mun. of City of Lachine, Que.—4½% debentures, due Oct. 1, 1959-68, $566,000. Issued Sept. 15, 1958. Sold at $96.51 to Wood, Gundy & Co. Ltd., Royal Bank of Canada, A. E. Ames & Co. Ltd., Nesbitt, Thomson & Co. Ltd. and Rene-T. Leclerc, Inc.

Township of Smith, Ontario — 5¼% debentures, due Oct. 1, 1959-78, $32,000. Issued Sept. 15, 1958. Sold at $95.31 to R. A. Daly & Co. Ltd. and The Royal Bank of Canada.

Village of St. Jacques, Que. — 4½% and 5% debentures, due Oct. 1, 1959-68-78, $225,000. Issued Sept. 15, 1958. Sold at $98.177 to Belanger, Inc.

Village of St. Andre, Que. — 4½% and 5% debentures, due Oct. 1, 1959-61-68, $60,000. Issued Sept. 15, 1958. Sold at $94.79 to Grenier, Ruel & Cie, Inc.

Town of Rimouski, Que. — 4½% and 5% debentures, due Sept. 1, 1959-68-78, 425,000. Issued Sept. 22, 1958. Sold at $95.78 to Banque Canadienne Nationale, Casgrain & Cie, Ltee and Florido Matteau & Fils.

Town of St. Mary, Ont. — 5% debentures, due Nov. 1, 1959-78, $160,000. Issued Sept. 22, 1958. Sold at $96.25 to Wood, Gundy & Co. Ltd.

School Commission for Mun. of Wendover and Simpson, Que. — 4% and 5% debentures, due Oct. 1, 1959-63-78, $257,000. Issued Sept. 22, 1958. Sold at $97.416 to Jos. Morency Ltee.

Town of Arnprior, Ont. — 5¼% debentures, due June 15, 1959-73, $224,706. Issued Sept. 23, 1958. Sold at $96.41 to Midland Securities Corpn. Ltd. and Royal Bank of Canada.

School Commission for Mun. of Cap-de-la-Madeleine, Que. — 4½% and 5% debentures, due Oct. 1, 1959-68-78, $380,000. Issued Sept. 23, 1958. Sold at $97.214 to Belanger Inc.

Roman Catholic School Board of City of Sherbrooke, Que. — 4½% and 5% debentures, due Oct. 1, 1959-68-78, $1,230,000. Issued Sept. 23, 1958. Sold at $97.577 to Mills, Spence & Co. Ltd., Belanger, Inc., Credighton, Mackenzie & Co. Ltd., Morgan, Ostiguy & Hudon Ltee and Savard & Hart Inc.

Mun. of St. Simon-de-Drummond, Que. — 5% debentures, due Oct. 1, 1959-68, $366,000. Issued Sept. 24, 1958. Sold at $94.71 to Morgan, Ostiguy & Hudon, Gaston Laurent, Inc., Belanger, Inc. and Credit Quebec Inc.

Protestant School Commission for Mun. of Ste. Therese, Que. — 4½% and 5% debentures, due Sept. 1, 1959-63-78, $288,000. Issued Sept. 24, 1958. Sold at $94.185 to Bank of Montreal, Dominion Securities Corpn. Ltd. and Rene-T. Leclerc, Inc.

CORPORATE

Maritime Telegraph and Telephone Co., Ltd. — 5¼% first mortgage bonds, series "J", to mature Sept. 15, 1978, $3,500,000. Dated Sept. 15, 1958. Offered at $100.00 and accrued interest by W. C. Pitfield & Co. Ltd. and Wood, Gundy & Co. Ltd.

COMMON

Loblaw Groceterias Co. Ltd. — $1.60 cumulative redeemable first preference shares, series "B" (par value $30.00 per share), 335,000 shares. Offered at $30.00 per share, to yield approximately 5.33% by Wood, Gundy & Co. Ltd., McLeod, Young, Weir & Co. Ltd., A. E. Ames & Co. Ltd., Dominion Securities Corpn. Ltd., Royal Securities Corpn. Ltd., Greenshields & Co. Inc., W. C. Pitfield & Co., Ltd., James Richardson & Sons, Burns Bros. & Denton Ltd., Midland Securities Corpn. Ltd., Ross, Knowles & Co. Ltd., Cochran, Murray & Co. Ltd., Mills, Psence & Co., Ltd., Bell, Gouinlock & Co., Ltd., Dawson, Hannaford Ltd., Osler, Hammond & Nanton Ltd., R. A. Daly & Co. Ltd., Wills, Bickle & Co., Bankers Bond Corporation Ltd., P. H. Crang & Co., Oldfield, Kirby & Gardner Ltd., Pemberton Securities Ltd., Rene-T. Leclerc Inc., The Western City Company Ltd., Yorkshire Securities Ltd., Collier, Norris & Quinlan Ltd., Equitable Securities Canada Ltd., Deacon Findley Coyne Ltd., Eastern Securities Co. Ltd., Stanbury & Co. Ltd., F. J. Brennan & Co. Ltd., Okanagan Investments Ltd. and Walwyn, Stodgell & Co. Ltd.

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Canada Savings Bonds

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3½% for 1st year and 4¼% for remaining 14 years.

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CANADA PERMANENT

MORTGAGE CORPORATION

320 Bay Street, Toronto

58-15

Company Reports

Coal

DOMINION COAL CO., Sydney, N.S., consolidated net profit for seven months ended July 31, 1958, was $360,466. This compares with $481,029 for 12 months ended Dec. 31, 1957.

During seven-month period net additions to properties and plants amounted to $836,760.

During this period $250,000 6% serial equipment bonds of **Dominion Rolling Stock Co.** were issued for purchase of 50 steel hopper cars. An additional issue of $750,000 serial equipment bonds for purchase of 150 steel hopper cars will be taken up in December.

Company redeemed $201,000 **Dominion Rolling Stock Co.** serial equipment bonds during seven-month period ended July 31, 1958.

In this same period production was 2,587,383 tons (2,554,358 tons in January-July last year). Sales for the first seven months of 1958 were 1,944,563 tons, compared with 3,771,808 for 12 months of 1957.

Production per man-shift in 1958 was 2.93 net tons, up from 2.82 tons in 1957 and 2.56 in 1956.

Federal government has agreed to a moratorium suspending repayments of $5,198,246 until July 1, 1963, and enabling company to speed its modernization program and consolidate its finances (**FP**, Sept. 6). Interest on loan has been increased from 3½% to 4%.

CONS. INCOME ACCOUNT

	7 mos. ended July 31 1958	12 mos. ended Dec. 31 1957
Period:		
Net earnings	$2,067,079	$2,975,864
Less: Deprec.	996,900	1,699,447
Bond interest	83,184	153,214
Int. on loan	437,529	517,174
Inc. tax	210,000	125,000
Net profit & surp. ...	**360,466**	**481,029**
Times Bond Interest Earned:†		
Before deprec.	20.07	16.05
After deprec.	7.94	4.96
†After deducting int. on loan.		
Earnings per Share and Dividend Record:		
Pref.: Earned	$1.73	$2.30
None paid.		
Comm.: Earned	0.10	0.35
None paid.		
Preferred dividends in arrears totaled $1,904,926 at July 31, 1958.		

DOMINION STEEL & COAL CORP., Montreal, consolidated net profit for seven months ended July 31, 1958, was $2,707,717. For 12 months ended Dec. 31, 1957, consolidated net profit was $7,112,996.

In April, 1958, **Truscon Steel Co. of Canada** became a wholly owned subsidiary with corporation's purchase of outstanding minority interest.

Net additions to properties and plants, exclusive of Truscon Steel's capital assets, was $5,332,738.

Mortgage bond indebtedness was reduced by $617,000 during seven months ending July 31, 1958.

During this period, debentures converted to 5,630 npv ordinary shares brought total shares outstanding to 2,944,371.

Dosco acquired 1,000 acres at Contrecoeur on the St. Lawence, a short distance below Montreal, in anticipation of the construction of a flat rolled products mill. Sod-turning ceremonies are expected to take place next month.

CONS. INCOME ACCOUNT

Periods Ended:	July 31 1958	Dec. 31 1957
	●1958	▲1957
	$	$
Net income	3,941,609	20,107,306
Less: Deprec.	3,800,000	6,136,534
Bk. & loans int. ...	.....	136,381
Bd. & debent. int. .	331,892	947,595
Income taxes‡	2,112,000	5,772,000
Net profit	2,707,717	7,112,996
Less: Divds.	1,471,197	2,643,013
Surplus for year	**1,236,520**	**4,469,984**
●Excluding Dominion Coal accounts.		
▲Excluding Dominion Coal and Truscon Steel Co. accounts.		
‡Of which $300,000 in 1958, $1,145,000 in 1957, applicable to future years.		
Times Bond & Debenture Int. Earned:‡		
Before deprec.	27.78	21.07
After deprec.	15.97	14.60
‡After all other interest.		
Earnings per Share and Dividend Record:		
Ordinary‡	$0.92	$2.69
Paid	0.50	1.00
‡Based on number of shs. as calculated from dividends paid.		
Shares o/s at xd:		
Ordinary, n.p.v.	2,944,371	2,938,741

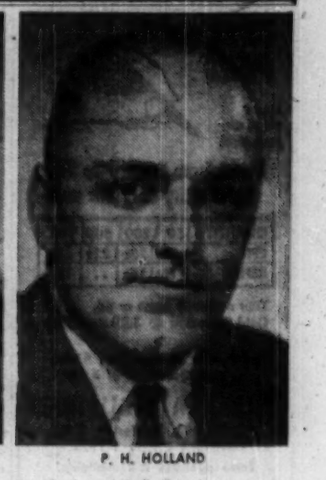
CONDENSED CONS. BALANCE SHEET▲

As at:	July 31 1958	Dec. 31 1957
Cash	$433,343	$1,482,040
Investments●	410,000	410,000
Accts. rec. less res. .	21,883,602	17,167,382
Due from assoc. subs. cos.	2,472,454	285,605
Inventories	37,704,322	46,933,567
Total curr. assets	**62,903,721**	**66,278,594**
Prepaid exp.‡	1,381,657	879,197
Mtge. rec.	5,077,500	7,875,000
Invest. sub. & assoc. cos.	1,027,956	1,723,686
Misc. assets	1,457,963	1,831,390
Unamort. deb. disc.	100,247	107,459
Fixed assets*	77,761,908	74,331,912
Total assets	**138,710,972**	**153,727,238**
Due bank	.....	703,709
Accts., wages, taxes	13,217,183	15,649,981
Bond & s.f. instals.	857,000	857,000
Other curr. liab. ...	.....	740,020
Total curr. liab. .	**14,074,183**	**17,950,710**
Prov. fur. reln.	2,097,082	2,143,091
Funded debt	11,656,500	12,377,500
Oper. & cont. res. .	17,466,703	17,500,000
Def. inc. tax	11,649,000	11,349,000
Capital stock	43,085,172	42,860,710
Capital surplus	8,199,883	8,199,883
Earned surplus	44,462,449	40,226,344
*After dep. of ...	82,391,187	77,870,199
▲Market value ...	446,000	446,250
▲Excluding Dom. Coal & Truscon Steel Co. accounts in 1957 and including Truscon Steel Co. in 1958.		
‡Included in curr. assets in co.'s report.		
Working capital ...	**48,829,538**	**48,327,834**

ANNOUNCEMENT

J. P. FOURNIER

H. K. IVERSON



P. H. HOLLAND

D. W. Connor, President, Autair Helicopter Services Limited, announces the election of J. P. Fournier and H. K. Iverson as Directors, and the appointment of P. H. Holland as Sales Manager. Mr. Fournier was formerly Regional Superintendent, Air Regulations, Quebec and Labrador.

Mr. Iverson was formerly Chief Pilot of Canadian Helicopters Limited, Toronto, and Director of Operations of Pittsburgh Airways. He is reputed as the most experienced helicopter pilot in Canada. Mr. Holland was during the past five years Montreal Sales Representative with Canadian Johns-Manville Company Limited.

Foreign Exchange Rates

Noon Value in Canada

Week Ended Oct. 3, 1958

	U.S. $	U.K. $
Mon.	.97 20/32	2.73 15/16
Tues.	.97 20/32	2.73 15/16
Wed.	.97 18/32	2.73 15/16
Thurs.	.97 16/32	2.73 11/16
Fri.	.97 15/32	2.73 10/16
Ave.	.97 89/160	2.73 66/90

U. S. rate reported by Bank of Canada

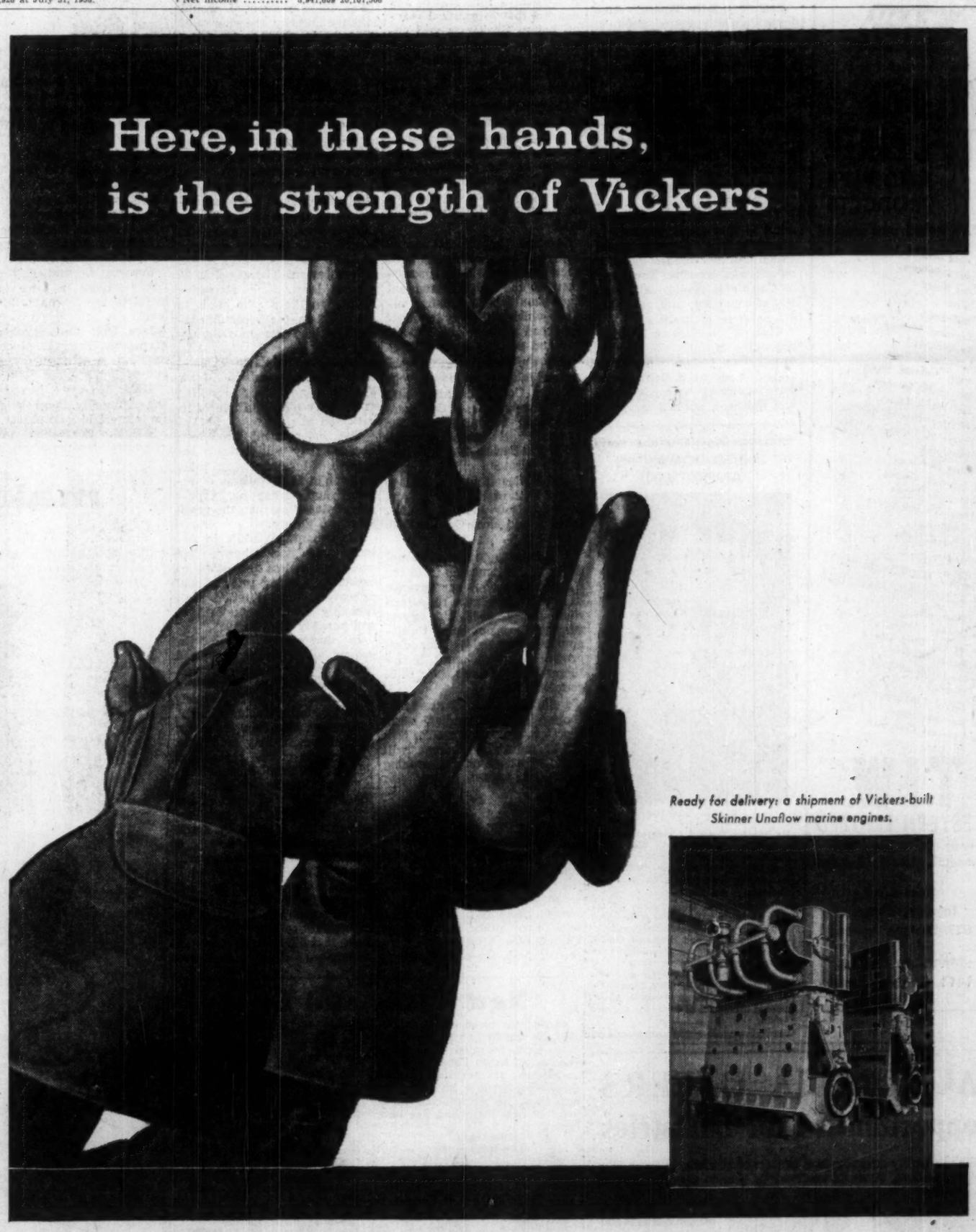
U. K. bid rate reported by Toronto-Dominion Bank.

Bond Tenders

12 Noon, Oct. 9, 1958, Government of Canada Treasury Bills — Payable Jan. 9, 1959, $115,000,000. Dated Oct. 10, 1958.

8 P.M., Oct. 16, 1958, Town of Dartmouth, N.S. — 5% and 5½% 1-20 year debentures, $450,000. Dated Nov. 1, 1958.

Here, in these hands, is the strength of Vickers



Ready for delivery: a shipment of Vickers-built Skinner Unaflow marine engines.

Vickers is one big engineering shop. Noisy and immense. It is filled with the screams and sparks of tortured metal being battered and bored and bitten into shape by vast and incredible machinery. A man is dwarfed by this, made puny by the thunder of a thousand tons of steel in motion, and the strength of his hands is a joke.

Yet master are they of it all. Awesome though the machines may be, the ultimate power is in the hands that coax and guide them gently to their job. It is the hands—and not the machines—of Vickers, that make the processing equipment, the tanks, boilers and presses which afterward form the heart of our industrial economy. And it is here, in the wondrous skill of those hands . . . here is the strength of Vickers.

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PEN	30c	25c	22c	20c
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NOTICE is hereby given that the Philadelphia Fire & Marine Insurance Company, having ceased to carry on business in Canada and having reinsured its liabilities in Canada as of September 30th, 1958, in the Insurance Company of North America which is registered under The Foreign Insurance Companies Act, to transact business in Canada, will apply to the Minister of Finance for the release on the 5th day of January, 1959, of the securities on deposit with the Minister of Finance; and that any Canadian policyholder opposing such release should file his opposition thereto with the Minister of Finance, Ottawa, on or before the 5th day of January, 1959.

DATED at Toronto, Ontario, this 29th day of September, 1958.

H. C. Mills,
Chief Agent for Canada

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- Air Ducts
- Bins
- Bunkers
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- Exchangers
- Fabricated Pipe
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- Hot Water Tanks
- Hydro-pneumatic Tanks
- Jacketed Tanks
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Security Analysts

Here's How The Experts View 1959 Stock and Bond Markets

With stock prices near record highs and bond prices shaky, where do Canadian securities markets turn next?

Here are predictions of four experienced students of the market, presented at the annual forecast meeting of the Security Analysts' Association of Toronto.

Bonds

Historically, major economic trends in Canada have been about six months behind those of the U. S., and I feel that this current move will be no exception. With a major part of our economy dependent upon basic commodities such as minerals, forest products, etc., presently in over-supply, it is logical to foresee a time lag between the build up in the sales of manufactured goods and the manufacturers' demand for raw materials.

As to Government spending, the federal governments of both countries are committed to heavy expenditures through 1959 for public works. The administrations in both Ottawa and Washington are currently operating under deficit budgets.

Secretary of the Treasury Anderson recently hinted publicly that most of this U. S. deficit would be financed through short term borrowings, a further inflationary pressure.

On the other hand, Canadian Government spokesmen have stated the desire and intention to finance as much of the deficit as possible through long term borrowing. The keyword in this statement is of course the word "possible."

To sum up, the outlook to my mind is that U. S. business is generally in a recovery phase which will be attended by some inflationary pressure. The trend in Canada is similar, although less pronounced, and probably not so close at hand.

Thus I forecast a further tightening in short and medium term money, caused basically by a sharply increased demand for such money by both commerce and industry, abetted by Bank of Canada policy to curb the inherent dangers of inflation.

For the long end I predict a modest increase in yields, owing largely to an increased demand for capital by industry, including housing and by all levels of Government, coupled with a basically unchanged supply of institutional money but a continuing resistance to fixed income securities by the general public through fear of inflation.

To be more specific, I predict that a year from today the average of the most recent 90-day treasury bill auction will be 4.10%; Government of Canada 3% December 1, 1961 (to be then roughly a 2 year 2 month bond), will be selling at 96¾, a 4.60% yield; and Government of Canada 4½%, September 1, 1983, will be selling at 97⅛, a 4.70% yield.

Industrials

In the U. S. market over the next year, the plus factors are likely to outweigh the minus factors at least to the extent of precluding the possibility of a major break on the downside.

The market has had no serious setback for nine months and I suggest that a technical reaction before Christmas will coincide with annual tax selling but that such a reaction will not be too serious. Tax selling should not be heavy this year.

The year-end rally will be vigorous and will carry well into 1959 because of record-breaking Christmas sales and because of the publication of favorable fourth quarter earnings. This rally may well carry the market up to the 560-580 level.

At some time in the spring there will be another technical reaction which will stall somewhere in the 520-530 area and there should be a summer advance which will carry the market ahead again to the 560-580 area and possibly beyond it.

Will the usual autumn correction take place next year prior to Oct. 8 or after that date? For purposes of this exercise I am assuming that the summer will extend through the World Series, that the Pittsburgh Pirates will win the World Series from the Chicago White Sox in six games, and that the Dow-Jones industrial average will close Oct. 8, 1959, at 572.87.

Much the same factors should apply to the Canadian as to the U. S. market, but our advance has been much more restrained since Jan. 1, 1958, our export surpluses are not going to disappear overnight, Canadian growth equities must prove themselves vis-à-vis their U. S. counterparts.

Following much the same reasoning in the Canadian as in the U. S. market, I predict that T.S.E. industrial average will stand at 525.42 on the evening of Oct. 8, 1959.

Oils & Gas

The integrated oil companies have expanded very rapidly, both their refining capacity and their marketing facilities. As a result, the profit margin is now under pressure. In common with many other industries in Canada, the integrated oil industry finds its profit margins more closely approaching those which exist in the U. S.

As far as production is concerned, the integrated oil companies will enjoy their share of the revenues from oil and gas production which we have postulated will slightly more than double by 1962. In fact, if allowables are increased as a result of pipeline to Montreal and other factors, the major companies stand to benefit most because, in general, they own wells in the fields which have been cut back to the greatest degree.

Our four leaders are selling at 26 times indicated earnings for this year, compared to 17 times for the domestic integrated companies in the United States. If you define cash flow as the cash flow from production, plus the net profit from other operations, our integrated companies are selling at 15 times cash flow compared to 7½ times for their U. S. counterparts.

However, the technical action of the leading oils in New York is good, and they are behind the market. In Canada, we have the further plus of The Borden Commission.

For these reasons, I would hold temporarily the shares of the integrated companies, but I would not expect them to perform better than a cross-section of the Canadian stock market which, in fact, they have closely paralleled in the past five years. Of course, for accounts which must be conservative, these stocks are still the way to participate in the industry.

With regard to the pipelines, it will be difficult for **Interprovincial** to spend enough in the near future, even going to Montreal, to generate earnings of $3.50 per share at a 7½% rate of return. Therefore, at its present level, it is attractive mainly to those who wish to speculate on the recommendations of The Borden Commission.

Trans Mountain's future could be clouded by events in Alaska. Meantime, the stock is selling at a rather high multiple of its indicated loss.

The independent producers, because they will share in the growth of oil and gas revenues but not in the problems of refining and marketing, appear more interesting than the previous two groups.

At present, oil wells in Alberta and Saskatchewan are operating at less than 45% of capacity. Barring international upheaval, the situation will probably be the same in 1960 and possibly even in 1962.

In that event, oil in the ground will only be recovered over a rather extended period. When we value the independent producers, we will probably have to continue using 80c bbl. of reserves, even though the cost of replacement may be higher.

Based on proven reserves at 80c bbl. and 3c MCF, and allowing $5 per acre for leasable land, the asset value of most of our independents is less than the current market price. On a cash flow basis, a cross-section of Canadian independents is selling at 18 times cash flow, while their counterparts in the U. S. are around 10 times.

Our companies, therefore, are not bargains. However, I believe that the average larger independent will do as well as a cross-section of the Canadian market in the next year, and the above average companies — those which strike something special—will fare better.

The happiest policy is to select the companies which suit your personality, and choose the best among them. For quality, regardless of price, **Hudson's Bay Oil & Gas.** For gas and oil coverage together, perhaps **Home** or **Canadian Husky.** For the value-minded, **Dome** for example. **Bailey-Selburn** for a good play in the foothills, or **Triad** — statistically overpriced but socially desirable. For those who want a company which spends $5 million a year and still lives within its income, **Canadian Superior.** Among the small companies, **Medallion** ought to be lucky.

Those companies which are engaged solely in the gas business have been enjoying a wave of enthusiasm because their future is so clearly evident and dynamic. The shares appear temporarily high. After the present tide has receded, I would look around on the beach for some **Alberta Gas Trunk Line,** and the closer it was to $16, the more I would pick up.

Base Metals

Aluminum: Return to about 80% capacity by mid-1959, and reflection in the market to discount the advent of aluminum block manufacture for the auto industry perhaps in the fourth quarter.

Asbestos: Production near capacity during the year, occasioning good profit with the start of expansion programs beginning the last quarter of 1959.

Base Metals: Modest increase in prices. Steady production lacking dramatic results.

Copper: Controlled production. Increase in price of the metal to the 29 cent - 31 cent level.

Iron Ore: Full development of present reserves. Increased exploration activity toward the end of 1959.

Gold: No price increase for the commodity. Decreasing public interest in gold shares.

Nickel: Controlled production. 15% to 20% increase in the price of metal. Operating near capacity by the end of the year.

Uranium: Adjustment in financial obligations by most producers, coupled with an inability to meet contract obligations.

ANNOUNCEMENT

UNITED DOMINIONS APPOINTMENT

C. F. M. BOWDEN

Mr. Bowden, General Manager, has been appointed Vice-President of United Dominions Corporation (Canada) Limited, according to an announcement by Mr. Hamilton J. Stuart, Q.C., President and Chairman of the Board.

United Dominions is a member of the United Dominions Group, one of the oldest and most versatile organizations specializing in industrial and commercial credit, with world-wide financing facilities in the United Kingdom and other countries.

The Company with head office in Toronto has already established a branch in Montreal and plans to extend its operations to other parts of Canada in the near future.

New Highs and Lows

During the week ended Oct. 4, 1958, 95 new highs and eight new lows were recorded among the general stocks on Canadian stock exchanges. In the mining group there were 33 new highs and 25 new lows. In western oils there were 10 new highs and five new lows.

GENERAL

New Highs — 1958

Abitibi
Albt. Dist. V.T.
Albt. Gas Tr.
Algoma Stl.
Analogue
Ang. Cdn. Pulp
Argus
Ash Temple
Auto Fabric A
Do B
Bk. Montreal
Bk. N. Scotia
Bk. Provincials
Brit. Amer. Oil
Burlington Stl.
Can. Bread
Can. Iron
Can. Perm. Mtg.
Can. Wre. & C. B
C. Breweries
C. Bk. Com.
C. Celanese $1.75p
C. Cotton Pr.
C. Curtiss W.
C. Eagle Oil
C. Eagle Bear.
Capital Estates
Cons. Paper
Consum. Gas
Corby's Vot.
Do B N. Vot.
Crow's N. Coal
Dom. Dairies
Do Pref.
Dom. Electro
Dom. Fdry.
Dom. Oilcloth
E. Koot Pr. pref.
Eddy Match
Electrolux
Fibre Products
Ford (Can.) A
Gt. Lakes Pap.
Gt. N. Gas B war
Int. Util.
F. W. Horner A
H. Smith Pap.
Imperial Bank
Imperial Oil
Inland N. Gas war
Inter. Paints A
Int. Paper
Int. Utilities
Jefferson Lake
Mages Sp. Gds.
Maple Leaf M.
McColl Fron.
Melchers Pref.
Minn. & Ont. P.
Mitchell Robt. B.
Molson Brew. A
Do B
Molybdenum warr.
Noranda
Oakville Wood
Ogilvie Flour
Ontario Steel
Photo Eng.
Pwr. Corp. 2nd pf
Que. Tel. rts.
Royal Bank
Sal-Shir-Hor.
Do 5½% B pfd
Do warr
Shawinigan
Do A com.
Sher.-Wms.
Sicks Br. 6% pfd
Sidney Roofing A
Simpson
Steel of Can.
Tor. Dom. Bank
Tor. Elevators
Tor. Gen. Tr.
Traders Fin. B
Tr-Can. Pipe
United Corp. B
Universal
West. Copper
Do warr.
W. Plywood B
White Pass Yukon
Wilson, J. C.
Woodward A

New Lows — 1958

Algoma Cent. v.t.
C. Petrofina pref
Fittings A
S.K.D. Mfg.
Tr. Mt. Oil new
Watermans Pen
Wood J. A
Do pfd

MINING

New Highs — 1958

C. Malartic
C. North Inca
Can. Erin
Canuba
C. Min. & Smelt.
C. Howey
Cons. Mogul
Copper Corp.
Copper Man.
Cowichan
East Amphi
Geco
Geo. Scientific
Goldale
Harrison Min.
Hollinger
Hudson Bay
Irish Copper
Iso Uran.
Joburke
N. Imperial
Newlund
N. W. Amulet
Noranda
Normetal
North Can.
Orchan
P.C.E. Explor.
Patino
Rainville
St. Law. River
Slocan Van-Roi
Willroy

New Lows — 1958

Baker Talc
Barvue
Burnt Hill
Dolsan
Explor. All.
Greyhawk
Halmon
MacDonald
Mid. Chib.
Mt. Wright Iron
Nat. Explor.
N. Delhi
N. Rouyn
Nickel M. & S.
Norgold
North Span
Do warr
Orenada
Rayrock
St. Michaels
Stanleigh
Thompson
Ultra Shaw.
Vanguard
West. Explor.

OILS

New Highs — 1958

Bailey Selb. A
Bralsaman
Britalta
Dome Pete
New Davies
North Can.
Peruvian
Prosper
Ranger
Stanwell

New Lows — 1958

Can. So. Pet.
Merit
Un. Canso v.t.
W. Decalta B warr
Do rts.

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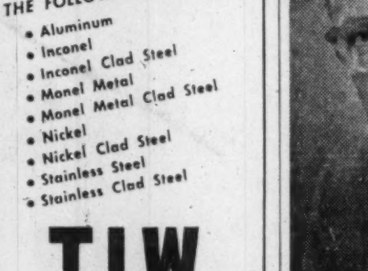
With its rapidly expanding local market and proximity to South-East Asian markets, Australia continues to provide opportunities for industries.



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COMPANY .....

ADDRESS .....

CITY ..... PROVINCE .....

DIVIDEND NOTICE

THE CHASE MANHATTAN BANK
CHARTERED 1799

DIVIDEND NOTICE

The Chase Manhattan Bank has declared a dividend of 60c per share on the 15,000,000 shares of the capital stock of the Bank, payable November 14, 1958 to holders of record at the close of business October 15, 1958.

The transfer books will not be closed in connection with the payment of this dividend.

MORTIMER J. PALMER
Vice President and Secretary

AMERICAN NEPHELINE LIMITED

DIVIDEND NO. 11

NOTICE IS HEREBY GIVEN that a dividend of Two Cents (2c) per share has been declared by the Directors of American Nepheline Limited, payable in Canadian funds on November 18, 1958, to shareholders of record October 31, 1958.

By Order of the Board,
D. D. ANDERSON,
Secretary.
October 1, 1958.

NORTHWEST INDUSTRIES LIMITED

DIVIDEND NO. 11

Notice is hereby given that a dividend of twenty-five cents (25c) per share has been declared on the outstanding shares payable October 31, 1958, to shareholders of record at the close of business on October 24, 1958.

By Order of the Board.
A. W. BERRY,
Secretary-Treasurer.
Edmonton, Alberta,
October 3, 1958.

East Kootenay Power

Company Limited

At a meeting on September 26, 1958, the Board of Directors declared a dividend (No. 38) of $1.75 per share on the 7% Cumulative Preference Shares for the quarter ending November 30, 1958, payable December 16, 1958, to shareholders of record on November 29, 1958.

W. G. E. LANNAMAN,
Secretary.
Montreal, September 26, 1958.

NEW DICKENSON MINES LIMITED

DIVIDEND NOTICE

NOTICE IS HEREBY GIVEN that a half yearly dividend of five cents (5c) per share plus an extra two and a half cents (2½c) per share has been declared on the issued Capital Stock of New Dickenson Mines Limited, payable on the 24th day of November, 1958, to shareholders of record at the close of business on the 24th day of October, 1958.

By Order of the Board,
R. B. LAW,
Secretary.
Toronto, Ontario,
September 24th, 1958.

PEOPLES CREDIT JEWELLERS LIMITED

DIVIDEND NOTICE

Notice is hereby given that a dividend of fifteen cents per share has been declared on the Common shares of the company to be payable on Saturday, November 15th, 1958, to shareholders of record at the close of business on Friday, October 31st, 1958.

By Order of the Board.
C. L. Guest,
Secretary-Treasurer.
DATED at Toronto this 3rd day of October, 1958.

DOMINION ELECTROHOME INDUSTRIES LIMITED

Notice is hereby given that a semi-annual dividend of twenty-five cents (25c) per share has been declared upon the shares of the Company payable on Monday, November 17th, 1958, to Shareholders of record at the close of business, Friday, October 31st, 1958, by order of the Board.

D. S. SYKES,
Secretary-Treasurer.
Kitchener, Ontario,
October 7th, 1958.

THE SHERWIN-WILLIAMS COMPANY of Canada, Limited

Notice is hereby given that a quarterly dividend of Forty-Five Cents (45c) per share for the quarter ending August 31st, 1958, has been declared on the Common Stock, without nominal or par value, of the Company, payable November 1st, 1958, to shareholders of record the 10th day of October, 1958.

By Order of the Board.
P. W. HOLLINGSWORTH,
Vice-President and
Secretary-Treasurer
Montreal, Quebec.
September 3rd, 1958.

dupuis

DUPUIS FRERES, LIMITEE

DIVIDEND NOTICE

Cumulative Redeemable Preferred Shares of the Par Value of $25.00 Each

A dividend of $0.30 per share has been declared on the Cumulative Redeemable Preferred Shares of the par value of $25.00 each of Dupuis Frères, Limitée and will be payable on November 15th, 1958, to shareholders of record October 31st, 1958.

Class "A" Shares Without Nominal or Par Value

A dividend of $0.13 per share has been declared on the Class "A" shares without nominal or par value of Dupuis Frères, Limitée and will be payable on November 15th, 1958 to Shareholders of record October 31st, 1958. For payment of the foregoing dividend, holders of Bearer Share Warrants should present coupon No. "14" attached to their said warrants on or after November 15th, 1958, at any branch in Canada of The Royal Bank of Canada, The Provincial Bank of Canada or the National Canadian Bank.

On behalf of the Board,
JEAN MARC LALONDE,
Treasurer.
December 29th, 1958.

EDDY PAPER COMPANY LIMITED

NOTICE OF DIVIDENDS

Notice is hereby given that the Board of Directors has declared the following dividends payable December 15, 1958 to shareholders of record at the close of business on November 15, 1958:

1. A quarterly dividend of twenty-five (25) cents per share on the outstanding cumulative convertible non-callable Class "A" shares of the par value of $20 each of the capital stock of the Company; and
2. A dividend at the rate of thirty-seven and one-half (37½) cents per share on the outstanding common shares without nominal or par value of the capital stock of the Company.

C. G. Banghart,
Secretary.
Hull, P.Q.
October 6, 1958.

SELLERS ACCEPTANCE CORPORATION LIMITED

414 King Street East, Hamilton, Ontario.

COMMON DIVIDEND NO. 2

The Board of Directors of Sellers Acceptance Corporation Limited at a meeting held on the 23rd day of September 1958 declared a dividend of six cents (.06c) per share on the outstanding common share of the Company payable on the 30th day of September 1958 to the shareholders of record at the close of business on the 26th day of September 1958.

By Order of the Board,
HARVEY K. PATTERSON
Secretary.
Dated at Hamilton the 26th day of September 1958.

FEDERAL GRAIN LIMITED

DIVIDEND NOTICE

Notice is hereby given that a dividend of thirty-five cents (35c) per share on the $1.40 Cumulative Redeemable Preference Shares of the Company has been declared, payable on November 1, 1958, to shareholders of record at the close of business on October 17, 1958.

By Order of the Board.
A. R. STRACHAN,
Secretary.
Winnipeg, Manitoba,
October 1, 1958.

FEDERAL GRAIN LIMITED

DIVIDEND NOTICE

Notice is hereby given that a dividend of thirty-five cents (35c) per share on the Class "A" and Class "B" Common Shares of the Company has been declared, payable October 1, 1958, to shareholders of record at the close of business October 15, 1958.

By Order of the Board.
A. R. STRACHAN,
Secretary.
Winnipeg, Manitoba,
October 1, 1958.

LOBLAW GROCETERIAS CO., LIMITED

Notice is hereby given that a dividend for quarter ending November 30, 1958, has been declared on the Capital stock of the Company as follows:

First Preference Shares, Cumulative Redeemable, Series "A"	37½ cents per share
Second Preference Shares	54 cents per share
Common Shares	54 cents per share

The dividend will be payable December 1, 1958, to shareholders of record at close of business on the 5th day of November, 1958. The transfer books will not be closed. Payment will be made in Canadian Funds.

By Order of the Board.
R. G. MEECH,
Secretary.
Toronto, September 30, 1958.

LOBLAW COMPANIES LIMITED

Notice is hereby given that a dividend for quarter ending November 30, 1958, has been declared on the capital stock of the Company as follows:

Preferred Shares	60 cents per share
Cumulative Redeemable Class "A" Shares	10 cents per share
Class "B" Shares	10 cents per share

The dividend will be payable December, 1958, to shareholders of record at close of business on the 5th day of November, 1958. The transfer books will not be closed. Payment will be made in Canadian Funds.

By Order of the Board.
R. G. MEECH,
Secretary.
Toronto, September 30, 1958.

CANADIAN OIL COMPANIES, LIMITED

WHITE ROSE

Notice is hereby given that a dividend of twenty cents (20c) per share has been declared on the Common shares without nominal or par value of the Company, payable November 15, 1958, to shareholders of record at the close of business October 15, 1958.

By Order of the Board.
DOUGLAS ROBINSON,
Secretary.
Toronto, October 2, 1958.

DIVIDEND NOTICES

JAMES B. CARTER LIMITED

DIVIDEND NOTICE

Notice is hereby given that a half yearly dividend of thirty cents per share has been declared on the outstanding Class A shares of the Company, payable November 1, 1958 to the Shareholders on record at the close of business October 15th, 1958.

By Order of the Board.
ERIC WILLIAMS,
Secretary.
Winnipeg, Manitoba,
October 1, 1958.

Market Bid and Ask Quotations

Montreal & Toronto
Oct. 7, 1958

	Bid	Ask
Abitibi	34½	34¾
Do p	24½	24¾
Ac-Atl	9½	9⅞
Do A	20	20¼
Do p		95
xAcad U	7	7
xAcme	21	22
Admi	13¾	14¼
xAdvoc	320	330
Ag-S	12¼	12⅞
Do p	10	10¼
xAghico	50	54
xAjax	63	70
xAkaitc	45	50
xAlba	7¼	8
xAlta D	200	205
Do vt	170	175
Alta Gas	21¼	21½
xAP Con	35	36
Algom	18¼	18½
Alg vt		17
Do deb	99	99½
Do vtw	460	490
Alg .C vt	17¼	18
Algma	34½	•34½
xAll Rox	30	35
Alumf	322	322
Do 1p	22	22
Do 2p	45¼	45½
xA-Lar	15	16½
xA Rare	22	24
xAm L	18½	19
xA Nep	75	80
xAmur	390	415
xAnac	57	59
xAnalog	400	
xAnch	17	18
xAng A	945	985
Ang-G T	40	41
A Pip p	51	52½
Ang Hu	11¼	11¾
xAng R	25	30
xAnsl	28	28
Anthes	30½	32
xApex	4½	5
xArcad	17	18
Do w	5	6¼
xArcan	60	65
xArea	96	99
Argus	26½	26¾
Do 240p	56	56¼
Do 250p	45¼	46
Aro	13	13½
xAsama	170	174
Ash	12	12½
Do B	12	12¾
xAsh T	450	500
Do B	8¼	9
A Art	10¼	11
Do d	114	115
Do wts	680	700
Atl A	6¼	6¾
Do p	15¾	16¼
Atlas S	23	23½
xAt Yk	8	8½
xAt-Ruf	18	19
xAubel	5	5½
xAumac	15	15½
xAumag	9	10
xAunor	240	245
Aut El	18½	17
Do A	10½	
xAut F A	5¾	6¼
Do B	275	360
xAvilla	5¾	7
xBly SA	10½	10¾
Do p	25	25
Do 5½	22½	22
xBanff	182	192
xBnkno	17	18
xBnkfld	7¼	8
Bk Mtl	51½	52
Bk NS	70½	71
Banq Can	48	48¼
Barb-E	50	
xBrclna	320	525
xBarnat	162	165
xBarvu	12	12¼
xBary E	66	72
xBase M	18	19
xBaska	18	19
xBata	6¾	7
Ba In	8	8
Bath A	44	47
Do B	24½	25½
xB-Duq	21	
xBeatty	460	475
xBeauc	30½	34½
xBeav L	22	24
B Lum	23	24
Do A		18½
Do pr	26	27½
xBelch	101	106
Bell	41¼	41¾
xBellet	165	172
xBthim	95	99
xBeven	16	17
xBibis	5¼	6
xBicrft	93	98
Do w	12¾	14
xBideop	18¾	19½
Bilt	6¾	7
Do p	12¾	13¼
Bi Bal	32	33
Bl Rib	10	
Do p	45¼	
xBonvill	5	5½
xBordul	6	7
xBousc	7	8
xBourn	55	56
Bowat	5¾	6
Do p		57
Do 5½ p	48¼	48¾
Bowes	16¾	
xBoymr	7¾	8⅝
xBrirn	595	600
xBralsa	76	80
Br C A	23¼	24
Do B	23¼	24
Brazil	6¾	6¾
Do p	91	91
Br T	20½	21
Do p	46¾	47
Do w	10¾	11
Bright	32½	34¾
Do p	28	28
xBritalt	280	282
BA Oil	42	42¼
BCE 4 p	78	80
Do 4½ p	40¾	41¾
Do 4½ p	41	44¼
Do 4½ p	92¾	93
Do 5 p	47¼	48
Do 5½ p	51	51
BC For	12¾	13
BC P A	15¾	16¼
Do B	15¾	15¾
BC Pow	40¼	40¾
BC Phone	41¼	42
xBr Reef	51	52
Brown	11¾	12¼
Bruck A	7	8
Do B	230	550
xBrnhrst	4¾	5
xBrnsmn	6	6¼
xBrnsk	410	425
xBufad	8¼	9
Do A	87	99
xBuf RL	6¾	7¼
Bld Prd	39¼	40
Bull A	6¾	7
Do B	5¾	6
xBunk H	9¼	10
Burlton	18	18¼
Burns	13¾	14
Burr A	7¼	7¾
xCable	27	28
xCalalt	80	83
Cald 1 p	21	24½
Cal Ed	29¾	30
Cal Pow	76¾	77
Do 5 p	104	105
xCalv C	375	390
xC Chib	770	780
xC Rd L	815	840
Canada		
xC Bd	450	475
Do B	54½	
C Cem	34¾	35
Do p	28¼	28¾
CCC St	11	11¾
C Foil	16¼	30¾
Do A	19	
C Fnd A	26	30
C Fnd	10	
Ct Fnd	34½	34¾
Do 4½	96	100
C Life	175	178
C Mach	8¾	
C Malt	63	67¼
Do p	25¾	25¾
xC O Ld	180	190
Do w	90	95
C P A	48¼	49¾
Do B	48	48¾
C Perm	11¾	14
C Saf 4 p	91¼	92¼
xCSO w	65	70
xCS Pet	340	345
CSL	39¼	40
Do p	12¾	12¾
C Wre B	16¼	16½
Canadian		
xC Ast	7	7¼
xC Atl O	640	650
C Baks	7¼	7¾
C Bnk C	55½	55¾
C Br	35½	36
Do p	35¼	
CB Al	11¾	11¾
Do wts	425	430
C Can A	14¼	15
C Cel	17¼	17½
C C $1	18	19½
C Chem	6¾	7
xC Chief	151	153
C Coll	5	5¼
Do p	71	75
xC Curt	175	180
xC Dev	590	595
C Drn S	11¾	12½
Do p	101	111
C Drdg	23¼	24½
xC Dyno	65	68
C Eagle	8¼	8½
Do B	8¼	8½
xC E Gas	260	284
C Fbks	20	24
xCF Pr	325	350
Do A	7	8
Do p	46¼	49
CGE	748	
CG S A	19	19½
Do B	18½	21
xC High	30	32
xC Home	185	190
C Hsky	14¼	14½
Do w	810	840
C Hyd C	7¼	8
C I Ma	6¼	9½
Do A	12	12¾
CIL	17¼	17½
Do pr	75	82¼
C Int Pwr	20	
Do pfd	44½	46½
C Loch	13	13½
xC Mal	85	86
xC N In	33	34
x C NW	46	48½
C Oil	27¼	27¾
Do p	151¼	
Do 4	63	
Do 5	100	101
Do w53	10¼	11½
Do w55	35	40
CPR	29¼	29¾
C Pet p	13¾	14¼
C Salt	22¼	22½
xC Thor	6¼	8
C Tire	129	130
Do p	21	
C Ut p	98	100
Do 4½	81	84
C Vick	22¼	22¾
C Wal A	25¼	27
Do B	25¼	26
CWN p	15¼	16½
xC Wo	225	230
C West	54	54
C Wil	110	130
xCanam	22	26
xCandor	15¾	17
xCanEr	35	36
xC Met	104	105
Do w	38	40
xCapt	11¾	13
xCarib	73	80
xCasa	795	800
xCastle	370	395
xCayzr	290	320
C C	33¼	
Do p	96	
xC Del	890	895
xC Pdt	99	105
xC Porc	24	25
xChar O	185	190
Chart Tr	54	59
C-Gai	20	
xChesk	5¼	6
xChest	19	21
xChib J	59	60
xChib-K	16¼	17
xChi M	140	145
xChim	50	53
xChrm	305	320
xC Bar		200
Do A	350	450
xCnb W	240	242
Co-D	18¼	20
Do A	14¼	15¾
Cshutt	12¾	13
xCody-R	20	23
Cogh CL	17	18
xCoin L	13	14
xCoinin	44¼	45
Coll	13	
Do p	13	
xColom	6¼	7
Com E	12¼	12¾
xCo Met	38	39
xCmoil	130	160
xCom P	175	190
Conduit	9¼	9¾
Conf L	163	167
Con L O	160	165
xConia	56	57
xCniaur	30¼	32
xCKey	21¼	22¼
Consolidated		
xC All	7	8¼
C Bak	8	8¼
xC Bell	11	12
xC B G	12	13
xC Call	13	15
xC C C	7	8
C Den	13¾	13¾
Do	400	410
xC Disc	345	350
xC Dra	26	28
xC E Cr	41	43
xC Fen	55	57
xC Fire	300	500
xC Gill	7¼	8
xCG Ar	16¼	17
xC Hwk	67	68
xC Mrbn	300	305
xC Mrcs	40	42
xC M M	47	50
C M S	425	435
xC Mogl	21¼	21½
xC Morr	187	188
xC Mos	20	22
xC Nag	64	68
xC Nich	21¼	23
xC Nor	33	38
xC Pk	4¼	5¼
xC Pers	11	15
xC Que	37	45
xC Rd P	9	10¼
xC Reg	15¼	16
xC San	6¼	7¼
xC Sud	82	85
xC Textile	235	
xC W P	475	480
C Gas	35¼	
Do A	106	106¾
C Glass	33	33½
Con C	51¼	51½
xCnwst	335	340
Cop Cl	5¼	6
xC Cor	31	33
xCop-M	17¼	18
xCprnd	197	199
Corb vt	19	19½
Do B	18¼	18½
Camos	11	11¾
xCoulee	53	57
xCourn	7¼	8¼
xCowic	90	100
xCraig		300
xCrgmt	260	263
xCree O	400	420
Do w	181	184
xCrst	9	
xCrsbk	150	160
Do p	15	19
Do w		59
xCrol	101	111
Cr Cork	51	55
Cr Tr	23	23
xCrowp	53	54
Cr Zell	10	11
Do (C)	202	211¾
Crow	201	261
Crouse	12¾	13¼
xDaer	38	39
Dlex p	82¾	90
D'Ara	47¼	49
Dav A	10¼	11
D	300	350
xDe C	27	28
xDeer H	16	17
xDelte	57	58
xDev P	126	127
D Seag	33	33¼
Dome	14¾	15
D Pete	13¼	13¾
Dominion		
D Ang	410	
Do p	93	
D Brge	22¼	22½
D Coal p	9	9½
D Cor Co	16	16¾
D Dair	11	
Do p	17	26
D Elec	18¾	19
D Fab	10¼	10¾
Do 2 p	19¾	
D Fdry	37¼	37¾
Do p	101	101¼
D Ins	168	
D Mgd	11	14¼
D Scot	27	32
Do p	48	48
Dosco	22¾	22¾
D Stra	74¼	74¾
D Tar	13¾	14
Do p	20	20¼
D Tex	91	91
Do p	126	
xD Wl		20
xDonal	12¾	13
D Rop B	15	
Donoh Br	14¾	15¼
Dow	40	41
Dup Fr A	8	8¼
xDuvan	18	20
xDuvex	12¾	14
xE Am	22	23
E Koot		10
xE Mal	151	152
xE Sull	233	238
xE Met	8	8¼
Do p	9¼	9¾
Econ I	38	38
Eddy	50¼	53¼
Do A	50¾	51
Ed Ma	24¼	25
xElder	65	68
xEldr	28¼	30
xElectr C	98	
Electrolux	13¾	14¼
xEl Sol	10	10¼
Em Life	63	65
En & Htg	5	5¼
Do B	110	
Eq Life	52¼	54
Erie A	5	7
Do B	150	300
Estbks p	19	22
xEurka	27	28
xEx All	12	12¾
Falcon	26¼	26¾
Fam Pla	20¼	21
Fan F	19¼	19½
xFrdy	101	105
Do w	30	32
xFargo	635	660
xFwest	14	15
Fed Gr	43¾	44
Do p	28¼	29¼
xF Kirk	5¼	6
xFibre	350	400
Do p	250	400
Fitting	485	500
Do A	8¼	9¾
xFleet	56	60
Ford US	46¼	48¼
Do A	102½	103¼
Do B	101¼	
Found	13¼	13¾
xFrnc	11	12
Fraser	29¼	29¾
Frei p	86	90
xFr PE p	735	770
xFrbshr	181	185
Do db	74½	75
Gatin	5¾	6¼
Do 5 p	37¼	37¾
Do 5½	107¼	103¾
Geco	16¾	17
G Bak	6¼	6¾
G Dev	19	19¼
G Dyn	56¼	57¼
G Elec	65¾	66
GMC	48¼	49¼
xGen P	350	
Do A	320	345
GF M A		30
Do B	30	40
GSW	84	94
Do p	85½	90
xGenex	171¼	174
xGeo Sc	70	75
xGt Mas	10	11¼
xGiant	470	485
xGlacier	23	26
xGlenn	11¾	12
xGldale	20	21¼
xGold E	17¾	18
xGold M	28¾	30
xGF Ur	27	28
Gdy	166	171
Do p	48¼	49¼
G Mac A	6¾	6¾
Do B	6¾	7¼
Gould Pu	17¼	
Gtln A	13¾	17¼
xG Bous	6	7
xGranby	700	725
Gr Toy	50	52
xGrdroy	17	19
xGduc	223	228
GL P	36¾	37
GL Pow	28	36¼
Do p	22¼	25
GN G	6¾	7
Do p	37	40¼
Do 280p	41¼	41¾
Do w	305	310
Do Bw	315	323
Gr Pins	16¼	16¾
GW C A	5¾	6
Do B	483	600
Grr W	18	18½
xGrning	390	425
xGryhk	16¼	17
Greyhnd	10¼	11
xGridoil	375	1230
Guar T	22¼	26
xGulch	18¾	19
xGulf L	7¼	8¼
Gunn	17¼	17¾
Do w	760	770
xGurney	230	450
Do p	9	13
xGwilm	6¼	7¼
Gyp	36¼	36¾
Hahn	19¼	20
Do A	14¼	18
xHallnr	195	220
xHalmon	46	47
H Cot	14	16¼
Do p	85	
H Carp	7¼	8
xHd Rck	10	11
xHar-M	18	18¼
Hartz A	11¼	12
xHasaga	18	19¼
xH of L	7	8
xHdway	55	57
xHeath	7	8
xHees	150	220
Heinsbrg	460	470
Do p		85
xHeva	5	5¼
xHigh-B	140	145
xHighw	24	25
H D	48	49
Hi-T	6¾	7¼
xHcla A	280	450
Do B	100	175
Holling	26¼	26¾
Holt Ren	60	
Do 1stp	92¼	
Do 2d p	90	
Ho O A	20¼	20¾
Do B	20¼	20¾
H Smit	37¼	38
Do p	43¼	
xHoyle	430	445
Hud B	57¼	57¾
HB O G	20	20¼
xH-Pam	16	17¼
Hu O A	14¼	18¼
Do p	26	
xHum O	193	194
Hur Er	45	45
Imp B	59¼	60¼
I Flo	29¾	30
Do p	26¼	
I In A	12¼	12¾
I Inv P	20¼	21
I Inv 1.40	22¼	25
Imp L	74	75
Imp O	46¼	46¾
I Tob	13¾	13¾
Do p	6¼	6¾
xInd L	5¼	6
I Acc	35¼	36
Do 450p	85	94½
Do 225p	45¼	46¼
Do 275p	51¼	51½
Do wts	12	12¼
Inger A	71	77
xInglis	350	355
xIng Bl	450	450
Do p	11	11¾
Inl C p	152	154
In -G	72	77
Do p	16¼	18¼
Do w	300	335
xInspir	45¼	47
Int Bro	13¾	14¾
Do p	21¼	23
I Mill p	69	75
I Nickel	85¾	86¼
I Pete		49
xInt Ran	31¼	32
Intprov	10¾	11
Do Bw	65	
IPL	53	53¼
Inv Syn	18¾	19
Do A	18¼	18¾
xIrish	273	275
xIrn B	174	175
xJ Wal	16	18
Jam Pub	58	59
Jam PS	103	
xJaye	53	54
xJeff	10¼	10¾
xJellico	12	12¾
xJburk	16¼	17¼
Jons-M	42¾	43
xJollet	32	33
xJonsm	17	18
Jour Ot	16	
xJown	52	54
xJump P	28	30
xJupit	215	220
KEL DA	7	7¼
Do wts	335	335
Kelvin	6¼	6¾
xKenvil	5¼	6
Ker Ad	17¼	17¾
xKil	90	300
Do w	57	58
xKirk H	7¼	8
xKirk M	41	44
xKirk T	10	12
Labatt	25¾	26
Labdor	21¼	21¾
Lige A	9	9¾
xL Cin	105	106
xL Duf	70	75
xLkind	320	325
Do D	82¼	83
xL Ling	9	10
xL Oau	17	22
xL Shor	425	445
xL Was	21¼	22
L Wds p	126¼	140
xLa L	320	350
xLamq	260	275
xLAT Am	30	40
L Sec	23¼	24¼
Laur A	13	15
L J A	20¼	21¼
Do B	20	
xLeitch	138	139
xLenc	12	12¾
Lewis Bro	10¼	11
xLexnda	4¼	5
xLLL	182	183
LobGro	111	
Do p	80	85
Do 1 p	29¼	
Do 2 p	50	
LobCo A	29¼	30
Do B	30¼	31
Do p	44¼	45
Loews	135	160
xLmega	4¼	5
xL Hos	130	300
Do A	5¼	5¾
xLIP	8	9
xLorado	50	51
Do w	28	30
xLouvi	9	9¼
L St Law	26¼	28¼
Lown	27¼	
xLyndh	20	21
xLynx	8	9
xMacas	300	315
xMacdon	27¼	29
xMacfie	17	17¼
Mackin St	10¼	
Do pfd	96	
Mac L A	21¼	21¾
xMacL	105	108
MacM A	32	32
Do B	34¼	34¾
xMadsn	235	240
xMages	30	75
xMagnt	5	5¼
MAG	15¼	
Maher	20	
Mailmn		20
Do cu p	25	28
xMajtrn	3¼	4
xMalart	98	100
xMan U	7	7¼
M Su p	95	96¼
M L G	20¼	22
M L M	11¼	11¾
Do p	93	100
xMralgo	30	31
xMarcn	7¼	8¼
xMargid	9¼	10
xMari	113	114
xMrtin	24	25
Mass-F	9¼	9¾
Do p	95½	96¼
xMatat	18	19¼
xMaxw	405	450
xMaybrn	18¼	19
McB p	10¼	
McC A	26	
Do B	26	
MCoil	66¼	66¾
Do p	90¼	95
xMcKen	33	34
xMMar	10	11
xMWat	33	34
xMedal	245	248
xMent	13	14
xMerc	2	15
xMerril	107	108
Mery p	47¼	48
xMeta	11	12
M LP	12¼	12¾
Do p	14	14¼
xMidcon	60	62
Mid P	14	
xMidr	96	98
xMidW	165	190
Do w	25	26
xMillik	217	219
xMilt B	275	280
xMinda	8	9
Min Cp	14	14¼
Mitch &C	35	
Mitch Rob	74	84
Do c B	155	300
M C A	12	12¾
Mois A	45	45
Do B	12	12¾
xNick Ms	67	74
xN Rim	82	82
xNipis	180	184
xNisto	6	7
xNor-Ac	15¼	16¼
Noran	51¼	51¾
xNorld	6¼	8
xNorlar	42	43
xNrmet	320	330
xNorpax	24	24¼
xNorsyn	8	8¼
xNorcal	24	25
North		
xNCO	420	430
Do w	136	145
Do p	37¼	37¾
xN Gldcr

THE WEEK'S QUOTATIONS

Quotations here listed are the official, exchange prices for listed stocks including curb market quotations. For unlisted stocks, quotations by unlisted dealers are given. The Financial Post cannot accept any responsibility for these quotations.

Bid and Ask quotes of Toronto and Montreal exchanges up to press time are published on page 43

Industrial Stocks

WEEK ENDING OCTOBER 3, 1958

Range 1958 High	Low	Div. Y'ld R'te Oct.3 $	%	Company	Sales	Last Sep. 26	Week end. Oct. 3 High	Low	Close or Latest
.62	.36	..	..	Abitca Lumber..	16200	.43	.47	.41	.43
35	24½	1.70	4.9	Abitibi	13336	33½	35	33¼	34½
25	23	1.12½	4.8	Do. 4½% pref.	696	24½	24½	24¼	24½
10½	8¾	.50	5.3	Acadia Atlan	1335	9	9½	9¼	9½
100	92	5.00	5.3	Do. 5% pref.	nil	..	B90	A95	95
21½	19	1.20	6.0	Do. (A)	210	20	20	20	20
..	..	•	..	Admiral	nil	..	B14	A14½	..
13½	8	.60	4.8	Agnew Surp.	690	12½	12⅝	12¼	12⅜
10	8½	.55	5.5	Do. pref.	nil	..	B10	A10¼	10
2.00	1.30	..	..	Albt. Dist.	17251	1.90	2.00	1.70	2.00
1.80	1.10	..	..	Do. V.T.	22109	1.65	1.80	1.65	1.75
20.87½	12.25	..	..	Albt. Gas Tr.	64584	19.37½	21.87½	18.50	21.50
23¾	18½	..	..	Algoma Cent. VT	555	†18½	19	†18⅜	†18⅜
35	21¾	1.00	2.9	Algoma Steel	12005	34	35	34	34⅞
31½	25	•.87½	..	Aluminium	41372	31⅜	31⅝	30	30⅞
23⅝	22	1.00	4.4	Alum of Can 1 p	675	22½	23	22¾	22¾
49½	45	2.25	5.1	Do. 2nd pref.	865	45½	45½	44½	44½
4.10	2.10	..	..	Analogue	2948	3.75	4.10	3.80	3.85
8	4	•.15	..	Andian Nat.	115	5	5¼	5½	5½
21½	20	•50	..	Anglo Can. Oils. nil (Brandon)	..	B18½	A22	..	20
36	25	2.00	5.6	Ang. Cdn. Pulp.	415	34½	36¼	35	36
53½	48	2.80	5.5	Do. pref.	180	51	51½	50	51
44	33	2.25	5.6	Ang. Can. Tel. p	125	41½	41½	40	40
7	5	•.25	..	Ang. Nfld.	8150	6½	6⅞	6½	6⅞
..	..	•1.50	..	Angl-Scand. Inv.	nil	..	..	..	..
37½	20¼	•1.30	..	Anthes Imp.	365	32	32	31¾	31⅞
1.00	.25	..	..	Arcan Corp.	400	72	.68	.60	.60
26	14	.80	2.1	Argus	10174	24½	26	24½	25¾
56½	43½	2.40	4.3	Do. A pref.	540	54⅝	56	55	55¼
47	41	2.50	5.5	Do. B pref.	225	45	45½	44	45½
..	..	•1.00	..	Aro Equip.	nil	..	B175	A185	35
33½	27¾	1.00+•.75	..	Asbestos	5965	32½	33½	32⅛	33
4.75	2.00	•.20	..	Ash Temple	210	4.00	4.75	4.00	4.75
..	..	6.00	6.6	Do. (A)	nil	..	..	..	91
9	8½	.65	7.6	Do. (B)	nil	..	B8½	A9	8½
..	..	.60	5.0	Ashdown Hd. A.	nil	..	B12	A12½	112
13	10½	.72	6.0	Do. (B)	225	12¾	12	12	12
10¾	8¼	..	..	Assoc. Artists	1366	10⅝	10¾	10½	10¾
6.75	3.90	..	..	De. Warr.	318	6.75	6.75	6.75	6.75
113½	95	..	..	Do. Deb.	80	114	115	114	115
..	..	4.00+•..	2.00	Assoc T&T pf.	nil	..	..	..	101
6¾	5	..	..	Atlan. Accept.	1300	6	6½	6	6½
16	15	.10	6.9	Pref.	..	..	B15½	A18½	16
25¾	15⅝	1.00+1.25	..	Atlas Steels	5545	22¾	23½	22⅜	22½
17	13½	.80+1.20	..	Aute Electric	125	16½	16½	16¼	16½
10¼	10¼	.50	4.5	Do. (A)	nil	..	B10¼	..	10¼
6.00	2.25	..	..	Aute Fabric A.	4945	5.00	6.00	4.50	5.75
3.25	.90	..	..	Do. (B)	1000	2.00	3.25	1.75	3.25

B

47¼	37	1.40+1.30		Bk. Can. Nat.	747	45½	47	46	47
52½	38¼	1.40+1.20		Bk. Montreal	15794	49	52½	48¾	50⅞
69¾	51	2.00+•.20		Bk. N. Scotia	5896	65½	69¾	65¼	69
35	30	1.80+•.20		Bk. Provincials	1062	31	35	31½	35
..	..	3.20+•1.30		Barber-Ellis	nil	..	B50	..	..
..	..	3.50	..	Do. pref.	nil	..	..	..	..
4.75	3.30	..	..	Barcelona	nil	..	B3.50	A5.25	3.65
9½	8	1.00	11.1	Bates & Innes A	nil	..	B8	A8	9
48	33½	•2.25+1.50		Bathurst Pr. A.	380	44½	45¾	44½	45¾
15	8	•.75	..	Do. (B)	10205	25	25½	23	25
3.00	3.50	•.15	..	Beatty Bros.	285	4.90	4.75	4.50	4.60
28½	17½	1.00+•.25		Beaver Lumber..	505	22½	22½	22½	22½
18¾	16¾	1.00	5.3	Do. (A)	50	†18¾	†18¾	†18¾	†18¾
28	25	1.40	5.0	Do. pref.	nil	..	B26	A29	28
9⅞	6	1.15	..	Belding Cort.	600	9	8¾	8¾	8¾
10⅝	9½	.70	6.7	Do. pref.	nil	..	B10½	..	10½
6½	6	..	..	Belgium Stores	nil	..	B6¾	A8	..
12	12	1.00	7.3	Do. pref.	nil	..	B13	..	†13¾
42⅞	35¾	2.00	4.8	Bell Telephone..	17259	42	42	41⅝	42
7⅛	7	.40	6.3	Biltmore Hats ..	10	†6¾	†6¾	†6¾	†6¾
14	10½	1.00	7.2	Do. (A)	10	13⅞	13⅞	13⅞	13⅞
†47	†47	2.40+2.40		Bird Constr.	nil	..	B47	A55	†47
†12	†10	..	..	Blue Ribbon	nil	..	B10	..	†10
45	34	2.50	5.3	Do. pref.	nil	..	B45½	..	†47
5.75	3.50	•12½	..	Bowater Paper	4721	5.25	5.75	5.25	5.75
45½	41	2.50	5.8	Bowater NA 5%p	225	43½	43¾	• 43½	43½
50	42½	2.75	5.7	Do. 5½% pref.	65	48¾	48½	48	48¾
17¾	15½	•1.00	..	Bowes Ltd.	nil	..	B16¼	..	17¾
9¾	8¼	.60	6.5	Boyles A	30	9	9¼	9¼	9¼
6½	6	..	..	Do. (B)	nil	..	B6	A6½	16
20	16½	1.00	4.3	Brant. Cord. A	25	†23¾	†23¼	†23¼	†23¼
23½	11¾	.50	2.2	Do. (B)	475	23½	23¼	23¼	23¼
7¾	5¾	•.25	..	Brazilian Tr.	9084	6¾	6¾	6½	6½
91	91	6.00	6.6	Do. pref.	nil	..	B91	A91	91
21½	19½	1.20	5.7	Bridge & Tank.	55	20½	21	20½	21
48	46½	2.90	6.2	Do. pref.	400	46¾	47	46¾	46⅞
12	5¼	..	..	Do. Warr.	25	10¾	10¾	10¾	10¾
35	17½	1.00	2.9	Bright, T. G	5	34½	34¼	34¼	34¼
23½	20	1.15	5.0	Do. 5% pref.	nil	..	B30½	..	23½
43	27½	1.40+2.65		Br. Am. Bk. N's	190	43	43	42¾	42¾
43	33¾	1.00	2.3	Brit. Amer. Oil.	22403	43	45	42¾	43¾
81½	77	4.00	5.1	B.C. Elec. 4% pf.	210	77¾	79	77½	78
44	39½	2.12½	5.2	Do. 4¼% pref.	365	41¼	41	39½	40½
47	42	2.25	5.5	Do. 4½% pref.	470	43	43¾	39¾	41½
97	58	4.75	5.2	Do. 4¾% pfd.	410	94	93½	91	92
51	46½	2.50	5.3	Do. 5% pfd	860	47	47⅝	46¾	47½
53	43½	2.75	5.4	Do. 5½% pfd.	560	51	51	50	50⅞
13¼	8½	.08•	..	B.C. Forest	8531	12¾	13	12¼	13
16¼	12	.75	4.8	B.C. Packers A	445	16	16¼	15¾	15¾
18½	11	•.50	..	Do. B	1905	16¼	16¼	16	16¼
43¼	36¾	1.40	3.3	B.C. Power	10396	42¼	42¾	42	42¼
44¾	38½	2.00	4.8	B.C. Tele.	990	42	42¼	41½	42
.86	.85	..	..	B.C. Turf	100	.85	.85	.65	.85
13	9½	•4.30•	..	Brown Co.	4605	11¾	12¾	11⅞	12¾
7	4½	•	..	Bruck S. Mills A	100	5¼	6¼	6¼	6¼
2.60	1.75	..	..	Do. B	546	1.90	2.00	1.90	1.90
43	33¾	1.80	4.6	Build. Prod.	600	41	41	38	39
6	5¼	.50	8.0	Bulloch's A	nil	..	B6½	A7	6¼
6	5¾	.33	6.1	Do. B	nil	..	B5¾	A6	5¾
14¾	11¼	.60+•.20		Burlington Steel	1195	13¾	14¾	13¾	14½
15	10¼	.60+•.10		Burns & Co.	2385	13⅞	14	13¾	14
7½	6¾	.45	6.2	Burrard D.D. A	175	7½	7½	7¼	7¼
2.00	1.75	..	..	Butterfly Hos.	nil	..	B1.00	A2.00	2.00

C

..	..	1.50	7.1	Caldwell L. 1st p.	nil	..	B22½	A24½	†21
..	..	1.20•	..	Do. 2nd pref.	nil	..	..	..	13
80	62½	2.00	2.6	Calgary Pwr.	1280	77½	78	76	76½
108½	98	5.00	4.8	Do 5% pref.	265	105½	105½	105	105

Canada

4.60	3.25	.10	2.2	Canada Bread ..	1020	4.50	4.60	4.40	4.50
55	45	2.50	4.5	Do. pref. B	nil	..	B54½	..	55
35	24½	1.00	2.9	Canada Cement.	6341	34⅜	35	34¼	35
29½	27	1.30	4.6	Do. pref.	962	28¾	28¼	28	28
11	•6	•.20	..	Can. C. & St.	510	11	11	11	11
25½	20½	1.50	5.0	Can. & Dom. Sugar	1255	24¼	24½	24	24
14½	13¾	1.00	7.4	Can. Floor B	nil	..	..	..	13½
16	15	.60+•.20		Can. Foundries ..	nil	..	B18	A20½	16
20	17½	.60+•.49		Do. A	nil	..	B19	..	19½
12½	12½	•.37½	..	Can. Forg	nil	..	B10	..	12½
25	25	1.50	5.9	Do. A	nil	..	B21¼	A30	†25½
33¾	25	1.50	4.5	Can. Iron	3130	33	33¾	32½	33⅝
4.25	4.25	4.25	4.1	Do. 4¼% pref.	100	100	97½	97	97
190	125	4.50	2.6	Can. Life	10	182	175	175	175
†8¾	†8½	..	..	Can. Machine ..	nil	..	B8½	..	†8½
64	50¾	2.00	3.2	Can. Malting ..	320	63	63	62½	62½
25½	24	1.17	4.6	Do. 4½% pfd.	200	25	25½	25½	25½
50	35	1.75	3.6	Can. Packers A.	240	48	48	47	48
47½	34	1.75	3.8	Do. B	430	46½	46¾	46¼	46¼
110	80	3.60+•.30		Can. Perm. Mtg.	208	107	110	107	110
97	84	4.00	4.7	Can. Safeway p.	300	94	96	92	95
40	30¾	•1.40		Can. Steamships	278	39	39½	39	39½
13¼	11½	.62½	4.9	Do pref.	310	12¾	13	12¾	12¾
27	20½	1.00+1.25		Can. Vinegars ..	nil	..	B25¾	A27	25¾
9½	9½	..	..	Can. W. Cord. A	nil	..	..	..	19
..	..	..	..	Do. B	nil	..	..	..	..
..	..	4.00	..	Can. W. Cable A	nil	..	..	..	..
15¼	12½	.80	5.0	Do. B	250	15	†16	15	†16

Canadian

151	150	•3.00	..	Canadian Arena	nil	..	B150	A190	150
8	5¾	..	..	Cdn. Bakeries ..	100	8	8	8	8
54¼	49¼	1.40+•.20		Cdn. Bk. Com. .	10078	50½	52	50	52
34⅝	25	1.50	4.3	Cdn. Breweries .	11198	34¼	34¾	33¾	34⅝
34⅜	23¾	1.25	3.6	Do. pfd.	610	34½	34½	33¾	34¼
13½	8	..	..	Cdn. Br. Al. A .	1830	11½	11½	11¼	11½
5.00	2.80	..	..	Do. warr.	795	4.30	4.50	4.15	4.45
27	20	2.00+2.25		Cdn. Bronze	1185	25½	26	25¼	26
98	93	5.00	5.3	Do. pref.	50	95	95	95	95
15¾	13	.75	5.3	Cdn. Canners A	675	14½	14½	14¼	14¼
17¾	14	.80+1.15		Cdn. Celanese ..	7256	17¼	17¼	16⅝	17
33	28½	1.75	5.5	Do. $1.75 pref.	358	32	32	31¾	32
17¾	15¾	1.00	5.8	Do. $1.00 pref.	nil	..	B18	A19½	17¼
7.50	4.75	..	..	Cdn. Chem.	5565	6.75	7.00	6.00	6.87½
6.25	4.00	..	..	Cdn. Collieries .	2223	5.75	5.25	5.00	5.25
.80	.66	.05	7.0	Do. pref.	3675	.70	.73	.70	.71
3.25	3.00	..	..	Cdn. Cottons ..	130	3.00	3.00	3.00	3.00
4¼	4¼	..	..	Do. B	400	14	4¼	4¼	4¼
11¼	5	..	..	Cdn. Cutlass A .	135	11	11	11	11
9	5	..	..	Do. pref.	3185	7	9	7½	9
1.75	1.35	..	..	Cdn. Curtiss W.	19435	1.70	1.75	1.60	1.75
16	8¾	•.15	..	Cdn. Drawn Stl.	100	12	12	12	12
11½	9½	.60+•..	16	Do. pref.	200	10¼	11¼	11	11
23⅜	15	•1.15	..	Cdn. Dredge	1890	23¼	23½	23	23½
8½	6¾	2s3d	4.1	Cdn. Eagle Oil .	900	8	8¼	8½	8½
8¾	6	..	..	Cdn. Eagle Bear	1400	8¾	8¾	8½	8½
25	15	1.20	5.7	Cdn. Fairb.	230	22	24	18	21
107	103½	6.00	5.7	Do. pref.	nil	..	..	..	105½
3.00	2.50	..	..	Cdn. Food Prod.	nil	..	B2.25	A3.50	3.50
8	7	..	..	Do. A	150	7	7	7	7
43	37	..	..	Do. 4½% pref .	60	46½	47	46½	47
†695	†695	8.00+•4.00		Cdn. Gen. Elec..	nil	..	B748	A990	†695
32	25	1.20+•.15		Cdn. G. Inv. ..	460	30½	31¾	30½	31¾
20¾	16	1.00+••		Cdn. G. Sec. A•	1600	19½	19¾	19	19
21	15½	1.00+••		Do. Be	200	21	19¾	19¾	19¾
8¾	5½	..	..	Cdn. Hydrocarb.	5552	8	8¼	8	8¾
†7½	†5½	1.10	..	Cdn. Ice Mach. .	nil	..	B6½	A9¾	7½
12¼	10½	.80	6.5	Do. A	nil	..	B12	A12½	12¼
18	15	•.50	..	Cdn. Indust. ...	3891	17	17½	16¾	17
85	78	3.75	4.6	Do. pref.	nil	..	B75	A82¼	81
55	41	•2.00+1.50		Cdn. Ingersoll R.	100	49¼	49	48	49
19	13	•.70	..	Cdn. Int. I. Tr. .	nil	..	B18	A19	18
26	25	1.50	6.0	Do pref.	1	†81	†80	†80	†80
20	16	..	..	Cdn. Int. Pwr. .	1310	20	20	19¾	20
48	44½	3.00	6.8	Do. pref.	1045	43½	46½	43½	46
15	10	1.50•	..	Cdn. Locomo. ..	500	13½	13¾	12½	13¼
3.30	1.90	6.06	..	Cdn. Marconi ..	175	2.75	2.75	2.65	2.65
30¼	23	.80	2.9	Cdn. Oil	9971	27½	28	27½	27¾
85	85	4.00	5.0	Do. 4% pref. ..	nil	..	B70	A83	180
105	97½	5.00	4.9	Do. 5% pref. ..	5	101¾	101¾	101¾	101¾
160	150	8.00	5.3	Do. 8% pref. ..	nil	..	B151½	..	151½
12	5½	..	..	Do. warr. 1953 .	360	9.60	10.62½	9.50	10.62½
6.00	.50	..	..	Do. warr. 1955 .	23462	.55	.90	.50	.60
30¾	25½	1.50+1.25		Cdn. Pacific ...	9374	29¼	29½	27½	29½
18¾	13½	•..	..	C. Petrofina pf.	914	14	14¾	13½	14
7	5	•.20	..	C. Pr. & Pa Sec.	63	6	7	6	7
1.80	1.25	..	..	Cdn. Propane ..	200	1.75	1.80	1.75	1.80
22½	20	..	..	Cdn. Salt	100	22	22½	22½	22½
2.50	1.75	•	..	Cdn. Silk A	nil	..	B1.75	A2.00	†1.50
130	81	.60+•.10		Cdn. Tire	65	125	130	127	130
..	..	1.00	4.8	Do. pref.	nil	..	B21	..	21
100	92	5.00	5.1	Cdn. Utilities pf.	5	96	99	99	99
83	83	4.25	5.4	Do. 4¼% pf. ..	nil	..	B81	A84	†79
16	21	•1.37½	..	Cdn. Vickers ..	1070	23	23	22	22¾
27	20	•.40	..	C. Wallpaper A	25	25	25	25	25
27	19	•.40	..	Do. B	775	25	26	25	26
17	15	.80	5.2	Cdn. W. Gas 4% p.	265	15½	15½	15	15¼
21½	20	1.10	5.1	Do. 5½% pfd.	nil	..	E21	A21	21½
57	44	1.00	1.8	C. Westinghouse	295	57	57	55½	56
8.25	4.90	•.15+.05		Capital Estates .	4670	†8.00	8.25	7.87½	8.00
1.45	1.35	..	..	Carling Br. Alta.	nil	..	B1.20	A1.45	1.40
1.30	1.25	..	..	Do. V.T.	nil	..	B1.15	..	1.25
12	11	.60+•.30		J. B. Carter A ..	nil	..	B12¼	..	11½
30	30	•1.00		Do. B	nil	..	B30	..	30
40	29	.50+•.37		Catelli Food A .	nil	..	B34	A38	36
50	40	1.00+•.37		Do. B	nil	..	B45	..	50
34	30½	1.00	2.9	Cent. Can. Invest	nil	..	B32½	..	34
†98½	†98	5.00	5.1	Do. pref.	nil	..	B96	..	†98
55	50	1.60	2.9	Chart. Trust	25	55	55	55	55

Range 1958 High	Low	Div. Y'ld R'te Oct.3 $	%	Company	Sales	Last Sep. 26	Week end. Oct. 3 High	Low	Close or Latest
20½	14½	1.00	5.0	Chateau-Gai	150	20½	20	20	20
55	43½	•1.25+1.00		Chrysler Corp. ..	nil	..	..	..	55
†1.00	†1.00	•1s	..	Cinzano A	nil	..	B1.10	..	†1.00
..	..	5½%	..	Do. 5½% pref. .	nil	..	B1.10	..	..
..	..	..	..	Cie Fin. de Suez .	nil	..	..	..	..
..	..	..	..	Circle Bar Knit. .	nil	..	..	A2.00	2.00
4.00	3.00	..	..	Do. A	nil	..	B2.50	A4.50	3.50
20½	16¾	••	..	Cochrane-Dun ..	100	19½	19½	19½	19½
14	13	.80	5.6	Do. A	nil	..	B14¼	A18½	†14¼
14¼	7½	..	..	Cockshutt Farm..	9738	13¾	14¼	13¼	13¼
17	13	1.00	5.9	B. J. Coghlin ...	340	17	17	17	17
†18	†15	.75+•.25		Coll. Terminal ...	nil	..	B15	..	†18
17	12	.75+•.25		Do. pref.	nil	..	B15	..	17
13	10	.60	4.9	Comb. Enter.	375	11½	12¼	12	12¼
9⅞	8	•.50	..	Conduits Nat. ...	3235	9¼	9¼	9¼	9½
167	87	2.00	1.2	Conf. Life	40	164	165	165	165
9½	7	.50	6.3	Cons. Bakeries ..	516	7	8	7⅞	8
1.00	.85	..	..	Cons. Div. Sec. A	11	†.65	†.65	†.65	†.65
29	28	2.00	7.1	Do. pref.	4	†31	28	28	28
3¼	3¼	•	..	Cons. Fire Ins. ..	nil	..	B3	A5	3¼
21½	16⅝	.80+•.20		Cons. Min. & Sm.	11964	20	20½	19¼	20¼
40	28	1.60+•.40		Cons. Paper	11172	37⅜	40	37¼	39¼
3.50	2.00	..	..	Cons. Textiles ..	nil	..	B2.60	..	3.50
..	..	1.00	6.7	Do. pref.	nil	..	..	..	†15
35¼	29	.80	2.3	Consumers Gas ..	8986	33½	35¼	33	34⅞
108	104	5.50	5.2	Do. A pref.	75	105½	105½	105	105½
33	23	1.50	4.5	Consumers Glass	845	33	33	33	33
43	43	•1.80	..	Cont. Can.	nil	..	B51⅜	A52⅛	43
6¼	4½	.30	5.2	Copp Clark	300	6	6	5½	5¾
19½	16¼	1.10	5.7	Corbys Vot.	3020	18¼	19½	18	19¼
18¼	18	1.00	5.4	Do. B N. Vot. .	475	18	†18½	18	†18½
12	10½	.70+•.10		Cosmos Imp.	1250	11	12	11¾	11¾
3.00	2.50	.20•	7.1	Craig Bit	nil	..	B2.60	A3.00	2.80
37	28	1.00	2.8	Crain, R. L.	10	37	36	36	36
5½	3¾	1.10•	..	Credit Accept. ..	nil	..	B4½	A5	4½
1.90	1.25	..	..	Crestbrook Tim. .	370	1.50	1.50	1.50	1.50
20	15	12.06¼•		Do. pref.	nil	..	..	A19	15
.80	.60	..	..	Do. warr.	nil	..	..	A.59	.60
51	43	2.00	3.9	Crown Cork	nil	..	B51	A55	50¾
24	16½	.80	3.5	Crown Trust	nil	..	B22½	A23	23
56	43	•1.80	..	Crown Zeller	25	54	54	54	54
22½	19¼	•••.25	..	Cr. Zell. (Can.) A	1485	20	21	20½	21
22	14	.60	2.7	Crow's N. Coal .	100	20¼	22	22	22

D

90	90	7.00	7.8	Dalex Co. pref. .	nil	..	B83¼	A91	90
48½	43	3.00	6.7	David & Fr. A ..	nil	..	B45	A48	44¾
12	7½	..	..	Davis Leather A .	320	10½	11	9	10½
3.25	2.50	..	..	Do. B	130	3.00	3.00	3.00	3.00
..	..	•5.00	..	De Havilland A ..	nil	..	B145	A250	190
33	23¼	1.20+1.50		Distill.-Seagram .	15977	32¼	33	32½	32¾
..	..	•10.00+6.00		Dom. Ang. Inv. .	nil	..	B410	..	455
..	..	3.00	5.7	Do. pref.	nil	..	B93	..	†87¼
24	20¾	.80+•.20		Dom. Bridge	6192	21	22	21¼	21⅞
12	7½	..	..	Dom. Coal pref. .	125	9	9½	9½	9½
17	13	1.00	5.9	Dom. Corset	nil	..	B16	A16¾	17
10	8	..	..	Dom. Dairies	1295	†10	10	10	10
18	17	..	..	Do. pref.	350	†18	18½	17	17
19¾	11	.50	2.7	Dom. Electric ..	2655	19¾	19¼	18⅜	18⅝
20	17½	1.00+1.20		Dom. Engineer ..	300	19½	19½	19	19
10	10	.60	6.0	Dom. Fabrics	nil	..	B10½	A13	10
..	..	1.50	6.5	Do. 2nd pref. ..	nil	..	B19⅜	..	23
36½	23¼	1.00	2.7	Dom. Fdry.	8352	35½	36½	35½	36½
101½	97	4.50	4.5	Do. 4½% pf. ..	235	101	101	101	101
85	60	2.00+•.60		Dom. Glass	2920	81	82½	81	82½
16½	14¾	.70	4.4	Do. pref.	960	16½	16½	16	16
..	..

Mining Stocks

WEEK ENDED OCTOBER 3, 1958

Range 1958 High	Low	Company & Dividend ($)	Sales	Last Sept. 26	Week Ending Oct. 3 High	Low	Close or latest
.13	.05	Acadia Ur. ..	5500	06½	.06½	.06	.06½
.12	.05	Ad Astra ...	2000	.09½	.12	.09½	.13
4.35	3.31	Advocate ...	99480	4.20	4.30	3.50	3.80
.41	.14	Aggasiz	500	.33	.31	.31	.31
.75	.33	Agnico	14091	.51	.54	.50	.54
.09	.04	Akaitcho	7d00	.04	.04	.04	.04
13.82½	12.87½	Alba	17600	.58	.61	.54	.54
100.00	94.00	Algom	3605	16.50	16.50	.07	.08
7.55	4.15	Do. 5½ debs.	1210	99.00	15.50	15.50	15.50
17.50	17.50	Do. warr. ..	4025	5.50	99.00	99.00	99.00
.49	.12	Do. V T. ..			5.50	5.05	5.20
.07½	.04	Alscope	119900	.44	.48	.42	17.50
.24	.06	Alta.	nil		B.07	A.08	.42
.60	.10½	Amal. Land .	3000	.13	.11	.12	.07½
.11	.12	Amal. R. E .	93412	.12	.16½	.18	.16½
.86	.64½	Amer'm. ..	2500	.95	.30	.30	.25
.10	.06	Am.-Neph. .04	3100	.70	.04½	.04½	.04½
.68	.40	Am. Stand. ..	nil		.70	.68	.70
13.87½	8.70	Anacon	13966	.84	B.06	A.09	.07
.42	.23	Anglo-Hur. .50	2340	11.50	.55	.52	.53
.33	.12	Anglo-Rou ..	1600	.25	11.50	11.00	11.25
.17	.12	Ansil	46147	.25	.30	.25	.25
.22	.06½	Anthonian ..	5000	.09	.09	.07½	.07½
.18	.05	Arcadia	10000	.15	.17	.14	.15
1.42	.54	Area	2700	.50	.09	.07	.07
.19½	.07	Arjon	30500	.84	.09	.80	.99
.06½	.03½	Arno	12000	.12	.14	.13	.13
.08½	.04	Atlas Sulp ..	500	.06	.05½	.05	.03½
.10	.06	Atlas Y'fe ..	6500	.04½	.05	.04½	.04½
.33	.17½	Atlin-Ruff ..	2000	.09	.08	.07½	.08½
.08	.04	Aubelle	45450	.20	.18	.15	.18
.21	.06	Ault	11000	.05½	.05	.05	.05
.11	.11	Aumache	68500	.13	.15	.12	.12
.16	.06	Aumaque	26000	.12½	.13	.12	.13
2.55	.06	Aumaque	13500	.09	.10	.08	.12½
.11	.05	Avillabona ..	6500	.05½	.06	.06	.06

B

.38	.20½	Baker Talc .	10000	.22	.23	.20½	.23
.06	.03	Band Ore	nil		B.04½	A.06	.04
.24	.13½	Bankeno	700	.18	.16½	.16½	.16½
.12½	.06½	Barnat	6000	.08	.08	.07½	.08
.06½	.04½	Barvallee	506387	1.50	1.95	1.51	1.71
.22	.07	Barvue	nil		B.05		.04
.53	.51	Barymin ...	30060	.15	.16	.07	.10
.30	.18	Base Metals .	2000	.68	.68	.66	.68
.29	.12	Base Metals .	11110	.21	.21	.18	.18
.25	.13	Bateman	98000	.15½	.22	.14	.22
.28	.04	Beatrice	4200	.18	.18	.18	.18
1.07	.17½	B'tie-Duq. ..	500	.05	.05	.05	.05
.30	.12	Beaucage	7700	.30	.33	.30	.21
1.55	.86	Beaver L'ge ..	4700	.34	.36	.34	.30½
.58	.30	Belechase	18850	1.05	1.09	1.01	.23
3.00	.05½	Bell-Chib	12000	.35	.40	.35½	.38
1.25	1.30	Belleterre .10	1000	.06	.06	.06	.06
.23	.53	Bethle'm			B.165	A1.72	1.52
.08	.04	Bevcon	28800	.90	.97	.90	.97
1.25	.85	Bibis-Yuk. ..	421642	.16½	.16½	.15	.15
17.50	17.50	Bicroft	2000	.16	.05½	.05½	.05½
.24½	.09	Bidcop	17675	.99	1.00	.95	.95
.33	.20	Black Bay ..	7900	.14	.13	.12½	.12½
.10	.04½	Bonville	42840	.18	.20½	.17	.19½
.14½	.06	Bordulac	13500	.23	.29	.23	.27
.32	.22	Boreal	13500	.05½	.05½	.05	.05
.24	.07	Bornite	18100	.25	.28	.24	.06½
.17½	.06½	Bouscadillac.	9500	.09½	.09	.08	.08
.60	.35	Bouzan	13208	.07½	.07½	.09	.09
.16	.07	Boymar	21350	.50	.52	.07	.07½
6.50	4.30	Bralorne 40 .	33500	.07½	.08	.07	.52
.65	.46½	Broulan Reef	4311	6.10	6.20	5.95	6.05
.07½	.04	Brouhaven ..	12700	.52	.52	.50	.52
.07½	.05½	Brunsman	4500	.04½	.06	.04½	.04½
1.95	1.95	Brunswick ..	1500	.06	.06	.06	.06
1.34	.85	Buffadison ..	8000	2.90	3.05	2.80	3.05
.73	.12½	Buffalo Ank.	1050	.88	.06	.06	.06
4.40	.04½	Buff. R.L. ..	8500	.87	.93	.95	.95
3.60	Bulo'n .50 ..		2090	3.70	.07½	.07	.07
.21	.06½	Bunker Hill ..	3000	.08	3.75	3.75	.17
.45	.08	Burnt Hill ..	500	.09½	.10	.09½	.10
	.30	Burrex	nil	.10	.08	.08	.08

C

.40	.12	Cable	69387	.24½	.34	.24	.30
.09	.04	Calumet	1500	.06½	.06½	.06½	.06½
6.65	3.95	Camp. Chib..	48888	6.15	6.60	6.10	6.50
8.90	5.15	Camp. R.L. ..					
		.30-*.05 ...	300	8.35	8.05	7.90	8.05
		Canadian					
.09½	.05	Cdn. Ast. ..	3300	.07	.07½	.06½	.06½
1.68	.49	Cdn. Dyno ..	9280	.66	.67	.66	.66
.21	.09	Cdn. Lith. ..	12600	.13	.16	.16	.60
.35	.14	Cdn. Mal. ..	2068521	.57	.22	.52	.98
1.10	.27	Cdn. N. Inca	43754	.32	.35	.31½	.35
.17	.06	Cdn. N'west	59361	.41½	.06½	.07	.43
.23	.05½	Canalask	5500	.07	.07	.07	.07
.30	.12	Canam	14200	.20	.24	.20	.07
.24	.14	Candore	11145	.23	.17	.15	.24
.36½	.15	Can-Erin	321151	.24½	.36½	.24	.35½
1.78	1.07	Can-Met	35258	1.15	1.17	1.10	1.11
.95	.38	Do. warr. ..	2800	.43	.45	.40	.40
.74	.13	Canorama	6080	.17	.16	.14	.14
.15	.04	Canuba	434000	.08	.15	.07½	.12
.05½	.03½	Canusa	nil		B.04½		.05½
.17½	.09	Capital	5400	.10	.11	.10	.11
.21	.46	Captain	10350	11	.12	.11	.11
.84	.24	Cariboo	4500	.77	.75	.73	.77
		Cartier Q. ..	4000	.24	.24	.24	.24
8.40	5.40	Cassiar Asb.					
3.90	3.25	*.20	4275	7.90	8.00	7.85	7.95
4.25	3.00	Castle-Tre. .15	400	3.90	3.90	3.90	3.90
1.10	.66	Cavzor	1600	3.00	3.00	3.00	3.00
.37	.07½	Cen. Man. ..	4000	.10	.09½	.09	.11
.12	.05	Cent. Pat. ..	21875	.98	1.05	.90	.96
.38	.16	Cent. Porc. ..	42225	.23½	.23	.20	.23
.17	.10	Cheskirk	26500	.05½	.06	.05	.05
1.30	.50	Chesterville .	11800	.22	.20	.19	.20
.69	.40	Chib. Jac. ..	37100	.46	.50	.47	.50
.16	.06	Chib. K'rand	11300	.15	.16	.14	.50
.95	.54	Chib. Min. ..	40950	.85	1.30	.90	.77
3.30	2.25	Ch-mo	10000	.57	.54	.51	.65
.18	.07½	Ch-pman	1000	.07	.07½	.52	1.25
		Chromium ..	100	2.80	2.90	.07	.82
3.05	1.85	Cleveland ..	4200	.09	.10	2.90	2.90
2.15	1.80	Clix	nil			.08	.10
.36	.12	Coast Cop. ..	nil		B3.25	A4.75	3.05
.20	.10½	Cochen'r *.05	9200	2.44	2.57	2.35	2.46
.47½	.20½	Cody-Reco ..	41600	.18	.20½	.16	.20
.20	.20	Coin Lake ..	10600	.12½	.15	.12½	.15
.20	.16	Col'strean ..	141000	.32	.39	.31	.38
.10	.04½	Coleman A ..	nil				.15
1.05	.25	Colomac	nil				1.15
.86	.25	Comb. Metals	3000	.07½	.07½	.07	.07
.55	.14	Commercial ..	8774	.51	.40	.40	.40
.95	.50	Cominga	43575	.40	.45	.35	.45
.35	.26	Coniagas	2000	.20	.16	.16	.16
.35	.19	Coniaurum ..	9000	.51	.55	.50	.55
.20	.07	Conkey	1775	.31	.32	.30½	.30½
.19	.07	Cons. B'keno	4250	.19½	.21½	.21	.21
.07	.04½	Cons. Beta ..	7200	.10	.12	.10	.12
.10	.04½	C. Bi-Ore ..	1500	.14	.12	.11	.10
.10½	.05½	C. Callinan ..	38250		B.04½	A.05	.04½
16.62½	10.25	C. Cad. ..	5500	.09	.15½	.12	14½
6.00	3.10	Do. Denison ..	17713	14.00	.09	.08	.08
3.35	2.30	Do. warr. ..	8760	4.40	14.25	13.75	14.00
.73	.48	C. Dis'y *.10	10780	3.50	4.40	4.15	4.20
.39	.15½	C. Fenimore .	3728	.55	3.45	3.35	3.45
.35	.15	C. Gillies ..	1500	.57	.54	.54	.56
		C. Gold. Arr.	29600	.16	.07½	.07½	.07½
.95	.25	C. Goldfield .	nil		.18	.15	.16
2.90	1.62	C. Hall'well .	505580	.55	.71	.55	.67
.57	.19	C. Howey ..	5630	2.50	2.90	2.50	2.90
2.00	.29	C. Marbenor.	29200	.38	.44	.38	.41
.10	1.13	C. Marcus ..	1000	.46	.08	.08	.08
.33	.05	C. Mogul ..	40085	1.81	2.00	1.75	1.95
.77	.17	C. Monpas ..	4050	.69	.23	.20	.22
.50	.48	C. Morrison .	14100	.22½	.07	.07	.07½
.14	.16	C. Mosher ..	4050	.69	.23	.19	.21
.45	.04	C. Negus	32732	.20½	.23	.64	.65
.13½	.24	C. Nich.	5000	.27	.33	.32	.33
.13	.09	C. Northland	nil		B.11	A.12	.12
.14	.04½	C. Pershcourt	1000	.05½	B.37	A.45	.41
.23	.12½	C. Que. G. ..	3000	.09	.10	.09	.09
.14	.08½	C. Que. Y. ..	30300	.14	.16	.14	.14½
.23	.04½	C. Reed Pop..	3000	.09	.10	.07	.07
63.00	.30	C. Regcourt .	30300	.14	.07½	.07	.07
		C. Sun'mn ..	1000	.07½	.07	.14½	.14½
21.50	16.37½	Cons. Smelt ..					
4.00	.55	.80-*.20 ...	11964	20.00	20.75	19.75	20.75
4.10	2.29	C. Sud'ry	21250	.71	.72	.68	.70
.32	.15	Cont. Min. ..	52950	.35	.56	.38	.55
.18	.07	Cont. Potash	nil			.50	1.25
2.36	1.65	Conwest	2980	3.20	3.50	3.20	3.35
.78	.33	Copper Corp.	40100	.24½	.32	.23	.30
.10	.06	Copper Man..	301512	.14	.18	.16	.18
.95	.54	Cop-Rand	71014	1.79	1.94	1.72	1.90
3.95	1.90	Coulee	13600	.55	.56	.52	.53
.13½	.07½	Cournor	500	.08	.08	.08	.08
.14	.06	Cowichan	17500	.70	.08	.08	.08
.18	.07½	Craigmont ..	8800	2.65	2.70	.95	.70
.01	.01	Crestaurum ..	nil		B.09	2.55	2.61
.30	.07½	Croinor	100	2.80	2.90	*A.11	.08½
		Crowpat	2500	.10	.12	.09½	.12
	.01	Cryderman ..	7680	.09½	.11	.09½	.11
	.07½	Cusco	5000	.01	.01	.01	.01
		Cusco	39235	.12	.14½	.12	.14½

D, E, F

.20	.10½	Dabion	nil				
.65	.15	Daering	7443	.29	.30	.26	.28
.12	.12	D'Aragon	635000	.57	.57	.32	.50
.25	.22½	Decoursey B.	10025	.29	.29	.27	.28½
.19	.10½	Deer Horn ..	2000	.17	.16½	.16	.16½
.12	.07½	D'Eldona	9199	.08½	.08½	.08	.08½
.46	.08	Delnite *.02 .	3000	.09	.08	.08	.08
.47	.13	Dickstone C..	nil		B.08	A.10	.10
		Dolsan	3500	.19	.19	.13	.13
11.00		Dome					
		70-*1.05 ...	6145	14.75	15.12½	14.50	14.87½
.08	.06	Donalda	20700	.13	.13	.12	.13
.02	.02	Doreen	2000	.02½	.03	.03	.03
.11	.07	Duvan	77400	.18	.24	.15	.21½
.07	.07	Duvex	60625	.14	.14	.11	.14
.06½	.02	East Amph. .	901930	.20	.29	.20½	.26½
1.30	.85	E. Mal. 1.05	11225	1.50	1.64	1.50	1.55
1.40	E. Sull. *1.15		12025	2.05	2.25	2.10	2.24
.07	.26	East. Metals.	21300	.08	.08	.08	.08
.19	.07	Eldrich	3175	.69	.71	.67	.71
.10	.04	El Sol	23500	.30	.31	.29	.29
.21½	.08	Eureka	11000	.10½	.10½	.10	.10½
.09	.04	Explor. All .	68100	.11	.13	.09	.11
.08	.04	Fab. Met. ..	1500	.09	.09	.09	.09
		Falconbridge					
21.00		1.00+*.10 .	7122	26.00	26.50	25.50	26.25
.09	.03	Fano	4000	.03½	.05	.05	.05
.57	.30	Faraday	23170	1.04	1.06	1.00	1.03
.30	.18	Do. warr. ..	5300	.36	.36	.32	.32
.09½	Far North ..	nil			B.20½		.23½
.80	.50	Farw't Tung.	3800	.13	.14	.12	.14
.05	.05	Fatimo	40600	.08	.75	.63	.63
.00½	Federal	1600	.05½	.06	.06	.04	.04
.21	Flin Flon ..	nil		B.00½	A.01		.00¾
.03	Fontana '45	5000	.03	.03½	.03	.03	.03
.21	Forty-Four .	nil		B.40	A.50	.40	.40
.05	Francoeur ..	30900	.14	.14	.11	.12	.12
1.18	Frobisher ..	500	.08½	.05	.11	.12	.05
63.00	Do. 4% deb.	11076	1.70	1.83	1.70	.85	.85
.03½	Fundy Bay ..	10	75.00	73.00	73.00	1.82	73.00
			4000	.06	.07	.06	.06

G

19.00	Gaspe Cop. ..	10	29.00	29.00	29.00	29.00	29.00
7.95	Geco	9205	14.75	16.00	14.37½	13.50	
.10½	Genex	4500	.18½	.19	.18	.18	.18
.27	Geo-Scient. .	13300	.48½	.65	.50	.50	.50
.09	Giant Mas. ..	3000	.10	.10	.10	.10	.10
4.25	Giant Yk.	2205	5.20	5.15	4.95	4.95	
.20½	Glacier	25400	.21	.24	.21	.23	
.09	Glenn Ur. ...	4300	.11	.13	.11	.11½	

Range 1958 High	Low	Company & Dividend ($)	Sales	Last Sept. 26	Week Ending Oct. 3 High	Low	Close or latest
.22	.14	Goidale	47133	.17	.22	.15	.20
.22	.05	Gold Eagle ..	163600	.16½	.20	.16	.18
.03	.00¾	Gold Lake ..	nil		B.01	A.02	.01
.45	.20	Gold. Age ..	73000	.35	.35	.30	.30
.88	.25	Gold. Man. ..	32950	.39½	.42	.30	.31
.12	.07½	Goldfields ..	21176	.25½	.27	.24	.25
6.60	.07	Graham R. ..	7000	.07	.07	.07	.07
4.00	4.00	Granby	nil		B6.75		.07
.49	.16	Grandroy	2039	.18½	19½	.17½	19½
2.36	.92	Grandue	21250	1.83	2.20	1.80	2.19
.33	.05	Grandview ..	nil				.53
		Great Falls ..	nil		B.00¾	A.01	.02
.28	.15	Greyhawk ..	40250	.17	.18	.15	.17
.09½	.04	Gul-Por Ur.	nil				.04½
.27	.08½	Gulch	9700	.18	.19	.17	.19
.13	.07	Gulf Lead ..	33550	07½	.08	.07½	.07½
19.75	12.75	Gunnar G. ..	14591	17.50	17.75	17.25	17.37½
8.60	5.75	Do. warr. ..	11500	7.10	8.00	7.15	7.90
.12	.04½	Gwillim L. ..	4000	.06½	.06½	.06½	.06½

H, I, J

.09	.02½	Haitian	70500	.04½	.05½	.04	.05½
2.15	1.70	Halinor *.09	nil		B1.95	A2.20	1.85
1.04	.41	Halmon	33200	.49	.51	.41	.42
.14	.08½	Hard Rock ..	238200	.10	.16	.12½	.10½
.20	.08	Harr. Min. ..	131110	.13	.20	.12½	.19
.21	.12½	Hassaga	4016	.16	.18	.17	.18
.11	.06	H'd of Lakes	11600	.08	.07½	.07	.07
.10	.03	Headway	35875	.57	.57	.57	.52
.06½	.06	Heath	3000	.08	.08	.07	.52
	.04½	Heva	3000	.08	.08	.07	.08
1.60	1.10	High-Bell *.05	13000	1.41	.05	.05	.05
		Hollinger			1.50	1.40	1.45
25.62½	20.50	.24-*.18 ...	4990	24.87½	25.62½	24.75	25.62½
5.00	3.05	Hoyle	1270	3.95	4.30	3.95	4.30
39.25	39.25	Hud. Bay 3.00	7036	52.50	55.25	52.00	54.75
.25	.15	Hugh-Pam ..	3500	.20	.19	.19	.19
.10	.05	Indian Chem.	nil		B1.40	A1.50	1.40
.68	.40	Inspiration ..	30000	.06	.06½	.05½	.06
.69	.16	Int. Ceramic .	11600	1.15	.47	.45½	.45½
		Int. Nickel ..			.18	.16	.18
85.75	69.37½	2.60+11.15	18326	81.87½	84.75	82.25	84.25
.72	.18½	Int. Ranwick	291950	.28	.34	.24	.33
2.75	.52	Irish Cop. ..	40200	2.40	2.75	2.35	2.70
1.97	.25	Iron Bay	21000	1.70	1.75	1.65	1.75
.58	.12	Iso Uran. ..	317650	.39	.38	.38	.35
.28	.12	J. Waite 1.02	12200	.18	.22	.20	.22
.94	.37	Jaye	38150	.52	.58	.56	.54
.23	.10	Jellicoe	35640	.10½	.13	.10	.13
.22	.10½	Joburke	101000	.14½	.22	.14½	.17
.40	.20	Joliet Que. ..	16100	.27	.32	.27	.27
.24	.08	Jonsmith	22200	.14	.16	.14½	.16
.68	.38	R. J. Jowsey	9388	.48	.48	.47	.47

K, L

.08	.05	Kenville	9000	.06	.05½	.05	.05
19.25	14.75	K.-Add. .80 .	10820	17.87½	17.87½	17.00	17.00
2.06	.95	Kilembe	2700	1.70	2.00	1.70	2.00
.70	.27	Do. warr. ..	6325	.44	.50	.42	.50
.08½	.05	Kirk. H. Bay	22900	.07	.08	.43	.07½
.14	.32	Kirk. Min. ..	21908	.37½	.38	.36	.38
.09	.08	Kirk. Town.	18000	.13	.10	.10	.10
.02	.01	Kontiki Ld ..	nil		B.04	A.06½	.07½
21.50	14.75	Koot. Base ..	nil				.01
1.18	.90	Labrador *.25	3021	20.25	21.00	20.00	21.00
.80	.40	Lake Cinch ..	1700	1.12	1.12	1.05	1.06
.12	.07	L. Dufault ..	4212	.63	.65	.63	.65
.29	.16	L. Lingman ..	146100	.09	.11	.08½	.10
5.25	3.90	L. Osu	16250	.09	.11	.08½	.16
.28	.15	L. Shore	865	4.20	4.35	4.15	4.30
3.30	2.75	L. Wasa	3500	.21	.22	.21	.22
2.95	2.20	La Luz	400	3.05	3.25	3.15	3.25
1.68	.19	Lamaque *.20	400	2.80	2.70	2.60	2.60
.18	.95	Latin Am. ..	10100	.50	.30	.30	.30
.07	.04	Leitch G. *.06	18100	1.33	1.40	1.33	1.36
.18	.07	Lencourt	24500	.12	.13	.11	.12
.11	.04	Lexindin	27600	.05	.05	.04½	.04½
.18	.11	Lingaide	2000	.05	.05	.04½	.04½
2.30	1.50	Lithium	nil		B.10	A.16	.11
.06½	.03½	Little L.L. ..	1817	1.85	1.85	1.80	1.82
.68	.49	Lomega	46200	.04½	.05½	.04½	.04½
.50	.24	Lorado Ur. ..	12510	.53	.55	.54	.55
.16	.08½	Do. warr. ..	2600	.28	.30	.28	.30
.37	.10	Louvicourt ..	1000	.09	.09	.09	.09
.11	.05	Lynchburst ..	100200	.16½	.22	.16½	.21
		Lynx Yk.	8000	.04	.08	.07½	.07½

M

3.20	2.40	Macassa					
.35		.12+1.03 ...	5050	3.05	3.15	3.00	3.00
.16	.20	MacDonald ..	21325	.22½	.25	.20	.25
1.24	.05	Macfie	112100	.13	.16	.13	.15
	.90	Macleod 1.10.	11471	1.10	1.07	1.00	1.05
2.80		Madsen R.L.					
.08	1.70	*.03-*.05 ..	5313	2.38	2.39	2.35	2.37
1.30	.04	Magnet	17040	.03½	.04½	.04	.04
.06	.03	Majortrans ..	17000	.04	.05½	.05	.05
.83	.92	Malartic 1.05	3600	1.00	1.05	.98	.98
.12	.06½	Manheast Ur..	15540	.08	.08½	.07½	.08
.25	.05	Maralgo	106750	.31	.32	.25	.30
.40	.05	Marcon	1625	.08	.08	.08	.08
.45	.40	Maritimes ..	124725	1.04	1.15	.98	1.02
.35	.08½	Marpic	24000	.13	.18	.14	.16
.30	.12	Martin McN..	33900	.24	.26½	.23½	.25
		Maskeg Pyr. ..	nil				.25
.50	.16	Matachewan ..	38800	.18	.21	.16	.17
.17	.12	Maybrun	12200	.15½	.17	.15	.17
86.00	87.25	McIntyre					
.56		2.00+*1.00 ...	730	82.00	83.50	82.00	83.50
.20	.10½	McK. R.L. ..	36300	.27	.31	.27	.29
.33	.06½	McMarmac ..	26700	.09½	.11	.09½	.11
.20	.14	McWatters ..	113000	.22	.32	.20	.31
.99	.61	Merrill Is. ..	43000	.12½	.13	.12½	.12½
.17	.08	Meta Ur.	49373	.84	.95	.80	.93
.68	.31	Mid-Chib. ..	7600	.10½	.11	.09	.09½
1.18	.65	Midrim	18500	.35	.44	.31	.44
.08	.08	Midwest	21950	88	.93	.83	.93
3.15	1.77	Milliken L. ..	nil		B.13	A.18	.14
.11	.07	Mindamar ..	23363	2.30	2.30	2.20	2.25
14.00	9.10	Mng. Corp. *.25	2207	12.37½	13.50	12.37½	13.50
.24	.08	Min. Ore	83283	.17	.22	.16	.22
.12	.07½	Mogador	nil		B.09		.10
1.25	.82	Molyb'nite ..	40220	.85	.87	.87	.87
.82	.62	Moneta	28800	.71	.75	.71	.71
.48	.28	Monpre	nil			A.31	1.20
.80	.41	Montgary	35200	.70	.69	.60	.60
		Mt. Wt. Iron	12543	.53	.55	.48	.54
		Multi-Min. ..	21000	.69	.69	.62	.65

N

.16		Nama Cr.	7100	.19	.18	.16½	.18
.10	.10	Nat. Ex.	33800	.12	.13	.10	.11
10½	.04½	Nealon	83600	.05½	.07	.05½	.06½
.44	.22	Neilo Min. ..	nil		B.14	A.18	.14½
.16		Nesbitt L. ..	4650	.35	.32½	.32	.32
.14	.03½	N. Ainsworth	3500	.04	.04	.04	.04
.69	.06	N. Alger	6000	.07½	.08	.07½	.07
.04½	.17½	N. Athona ..	39125	.30	.44	.28	.42
.14	.04	N. Bidl'e ..	6000	.05	.05	.04½	.05
.57	.18	N. Calumet ..	8800	.24	.31	.24½	.31
	.26	N. Cronin	nil				
		N. Delhi	35000	.30	.36	.26	.33
2.59		N. Dick'n					
1.85		10-*.12½ ..	9175	2.09	2.10	1.98	2.09
.14	.06	N. Formaque .	2000	.06½	.06½	.06½	.06½
.65	.05½	N. G'dvue	171308	.10½	.12	.10	.10
.20	.11	N. Hamil	19700	.37	.35	.32	.32
7.25	.13	N. Har'na	11100	.13	.14	.12	.14
.19	.03	N. Hosco	270160	1.50	1.69	1.41	1.65
.09	.02½	N. Imperial .	8475	.12	.19	.10	.12
.11	.04	N. Indian	nil		B.03	A.04	.03
.43	.06	N. Jack Lk..	6075	.08	.08½	1.04	.03
.39	.06	N. Jason	10266	.09	.09		1.04
.74

Question:

Isn't it about time this market caved in?

Answer: Definitely not. With the war scare at Formosa keeping everyone on edge, a high stock market gives the economy the appearance of strength which is so vital to national confidence. And with an election coming up in a few months, Washington will go all out to guarantee that the voters will go to the polls with full pocket-books and satisfied stomachs. So the market will likely stabilize at current levels, and will then move 50 or 60 points higher.

Question: Well, then, why do I hear so much talk about a big drop in the market?

Answer: The people who are crying wolf now are only expressing anger at themselves for having passed up the bargains available in the market four and five months ago. Somehow they can feel justified for having missed the boat a few months ago by convincing themselves now that the ship is about to go down anyway. But the fact of the matter is that the professional traders—those who were astute enough to buy the bargains earlier in the year—are expressing their confidence in a tangible form. As the volume figures suggest, inside professional capital is buying more senior New York-board securities than it is selling, indicating that heavy money does not expect a reaction of serious magnitude. And the Mitchell clients, following the lead of this heavy money, are still picking up two or three fundamentally sound issues each week—and making money on them.

Question: That may be so, but how do you justify stocks selling at almost 20-times earnings?

Answer: You don't have to justify it—just accept it. For example, would you say a trader has been duped when he buys a stock at 50 cents although it is only worth 25 cents? Would you say he's been duped even though he knows someone else will come along in a few weeks and pay him 75 cents a share for it? So you see, the value of a stock—especially the Canadian natural resource kind—doesn't really matter as much as whether or not the degree of spread between price and value will widen. There are literally dozens of situations, for example, which Mitchell clients accumulate in the full knowledge that what we're paying may be priced well over what it is worth. But our attitude is that as long as we know the sponsors have made plans to widen the price spread, we'll be able to get out at a profit.

By taking such factors into account, Mitchell clients have been able to roll from group to group and stock to stock for a steady sequence of profitable trades. If you would like to begin making money with a growing number of Mitchell clients, we'd be pleased to welcome you for the next six weeks of trial service. Send $5.00 to

Mitchell of Canada Inc., 1420 Genesee Bldg., Buffalo 2, N.Y.

Agassiz to Test Lynn L. Prospect

Agassiz Mines, through financing by **Central Manitoba Mines** and associates, plans an exploration program on its property three miles north of Lynn Lake, Man., officials report.

A mineralized zone will be diamond drilled. The zone has given a number of intersections with values in gold, silver, lead and zinc.

Central Manitoba has underwritten 100,000 shares of Agassiz at 20c and holds options on 1.5

This Formula May Help you to

STOP WASTING MONEY IN THE WRONG STOCKS

. . . when 100 percent moves can be picked by the dozen

Cronenberg clients had orders to take another round of 100 percent profits on Monday—this time in the one oil stock which we have most repeatedly stressed as a buy. The stock was Britalta, and we bought it last Spring on a break to $1.44 despite our conviction that the true oil market so many traders are trying to anticipate won't start until the year-end. Selling instructions reached clients on Monday—when preliminary news regarding Borden Commission findings prompted oil-market followers to buy over 75,000 shares at prices as high as $3. This move stretched our clients' string of 100 percent gains to as many as 17 for the year.

Selectivity is the key to this brand of trading—staying with the strongest stocks in the strongest groups, and cross-checking all decisions via graphic analysis of the intensity of inside interest in the face of public consternation or antipathy.

MANY 100 PERCENT GAINS SCORED BY BUYING DURING A COPPER GLUT

Applying this style of interpretation to the coppers, we found them at their strongest last February and March when the metal itself was emerging from a triple bottom despite widespread bearish opinion.

IRISH AT 75 CENTS was the stock we featured. It hit $2.90 Monday for a gain of almost 300 percent.

GRANDUC AND COPPER RAND NEAR $1 were two issues we bought squarely in the face of bearish news concerning work stoppages prompted by low copper prices. Both have added 100 percent.

HALLIWELL AT 28 AND MARTIMES AT 46 were our choices among the lower-priced penny issues. Profits of over 100 percent have developed in both cases. Among higher-priced issues we concentrated on Campbell Chibougamau—virtually cramming it down clients' throats barely a matter of weeks ago at $5. It is $7.60 bid as this goes to press.

FURTHER 100 PERCENT GAINS SECURED BY SALES AT PEAKS OF DISTRIBUTION

If you were a heavy buyer of gold stocks last April and May, it's possible that you were picking up merchandise which the Cronenberg clients were selling. We took 100 percent gains in Taurcanis and Consolidated Marcus during that period, and took gains of $1 per-share and more in stocks like Cochenour and Campbell Red Lake. We also sold our key selection in the uraniums—Milliken Lake, which we rode from $1.95 to over $3 in a matter of weeks on grounds that this would enable us to take maximum profits out of the uranium group without bothering to trade leading issues like Algom and Denison which looked sluggish on our charts.

Similar chart interpretation prompted us to specify selling the Lake Erie issues last spring. And it was the same brand of chart-work which caused us to make such selective switches as a move from Nickel Rim to North Rankin when both were at 85 cents. North Rankin is now $1.25, while Nickel Rim has slipped back to 75 cents.

IF YOU'RE HOLDING DORMANT STOCKS THIS MAY BE THE SOLUTION YOU NEED

We hear from people every week who have clung for months or years to poorly selected stocks—stocks chosen with no regard for the basic trends and selective strength which constitute such a vital part of our analysis. Month after month we've taken them out of slow groups and slow issues to move them into areas of the market where potential 100 percent moves have just been waiting to be capitalized upon. We'd like to do a similar job of heightening your sense of selectivity and grasp of basic trends. An eight-week trial subscription to our weekly Canadian reports will get you started — for a fee of $5.

Cronenberg reports

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Taking Stock

What's going on in the mining and oil markets — the facts and rumors.

By RAY MAGLADRY

Oil and gas issues ride the crest of a buying wave that carries most sections of the mining list higher.

U. S. interest is reported to be behind a large part of the bullish activity.

The strength is in the face of continuing dull news for the industry, at least oil producers.

Alberta allowables for October, for example, are 289,000 bbl. daily. For many fields this means production at one quarter of capacity, even less for others.

How some oil and gas issues have moved:

	Latest Price	6 Mos. Ago	Year Ago	1958 High	1958 Low
	$	$	$	$	$
Bailey-Sel. A	10⅛	7.50	9.60	11.75	7.05
Cal. & Ed.	30⅜	19¼	23.50	30½	17¾
Cdn. Atlantic	6.25	4.20	5.60	6.90	3.75
Central Del-Rio	8.90	7.25	6.60	9.55	6.10
Permo Pref.	1.95	1.68	2.10	2.08	1.55
Peruvian Oil	1.75	.99	.90	1.85	.70
Provo Gas	3.35	2.60	2.66	3.50	2.40
Triad Oil	4.70	4.20	4.80	5.15	4.00

* * *

Dome Petroleums and **Cree Oil** report test well on Lake Erie offshore acreage is near 600 ft. Dome at $13½ is up from a recent $11⅜ and Cree at $4 compares with $4.25.

The **Home Oil** issues are stronger as company, with associates **Alminex Ltd.** and **Geoil Ltd.,** plans test well in the Carstairs area of Alberta, near **Texaco** gasser. Home Oil B moves from $18¼ to $21, settles at $20½. The A issue also higher, at $20½ compared with $19.

* * *

Speculative interest in the hot Mattagami area focuses on **Orchan Mines** which is drilling a prospect adjoining the optioned **Mattagami Syndicate** find near Watson Lake.

Orchan soars in heavy trading in Montreal to a top of $2.75 from a recent 55c. Previously, the issue had sold as low as 10c this year. The issue settles at $1.89.

Noranda Mines had a 337,500-share interest recently following a 200,000-share underwriting of Orchan at 18c, with options on 300,000 at 25c, 30c and 35c each. Noranda climbs from a recent $46¼ to $51½.

* * *

Watson Lake Mines — a company formed by the **Mattagami Syndicate** to develop a prospect in the Mattagami Lake area of Quebec — has entered an underwriting-option agreement under which 500,000 shares at 20c per share will be taken down immediately. Options will be outstanding on 600,000 shares at 25c, 35c and 45c.

Street talk indicates the **Noranda-McIntyre-Canadian Exploration** group will exercise its option on the Mattagami Syndicate's Watson Lake property sooner than expected. Vendors, the six companies of the Syndicate, would receive 333,000 shares each in a new company to be formed, according to rumor.

* * *

Golden Manitou and **Barvue Mines** sag to new lows as Manitou is to be merged with Barvue, subject to shareholder approval Oct. 21. The new Barvue name would be **Manitou Consolidated Mines** and Golden Manitou would receive 700,000 shares of new company (to be distributed to shareholders on basis of one new share for each five Golden Manitou).

Since both firms face actions that could mean bankruptcy, the merger would preserve assets, officials say. Manitou's mill would continue in production and Barvue's would be on standby basis.

Dropping from 15c to 7c, Barvue rebounds to 12c and Golden Manitou slips to 25c from a recent 39c, partially recovering to 30c.

* * *

Chibougamau Jaculet, once a hot speculative in Chibougamau, will have its ore mined and milled by **Copper Rand** at cost plus 15%, but plan hinges on Copper Rand's own production plans. Copper Rand would advance Jaculet $500,000 under the arrangement.

This eliminates further expense to Jaculet which may now use its $1.8 million liquid assets for other ventures. At 60c, Jaculet compares with 46c recently, and Copper Rand is up from $1.89 at $1.97.

SEC restrictions in U. S. on trading in **Canadian Javelin** shares are lifted. Bid price of Javelin at mid-week is $14, unchanged from last week.

Unlisted Mines and Oils

(By Brokers Dealers' Assoc. of Ont.)

Approximate quotations, 3.30 p.m., Oct. 6, subject to confirmation and change. An asterisk (*) indicates an increase in price; a dagger (†) a decrease in price.

	Bid	Ask		Bid	Ask
Abbican	10	12	Mar Bd	6	8
Abeta	5	6	Mat Can	5	7
Aconic	43	48	Maree	1¼	2¼
do vt	*47	53	Mate Yel	5	7
Advanc	5	6	McCuaig	4	5
Alexand	5	6	McFinly	5¼	6¼
Ama Kr	3¼	4¼	Miles RL	3	5
Anabar	2	4	Millkirk	—	6
Anamq	3	4	Mindus	70	85
Arctic	1¼	2¼	Mirado	8	10
Anuwon	†5	7	Mt Keno	1	2
Barima	12	14	Montco	3	5
Beacon	4	5	Murk F	13	18
Belfast	3	4	Murmac	2	3¼
B Jck P	2¼	4	Murry M	*20	23
B Grss	2	3	Nasco	3	5
B McD	6	8	Nat Nw	17	19
Bour C	1	3	Nw Aug	4	5
Brace	*25	27	N Cmp	35	40
Braminco	7	10	Nw Met	5	7
Bright	2	3	N Isco	6	8
Brilund	3	5	N Redwd	4	5
Bruce P	11	13	New Wal	1	2
Brunette	4¼	5¼	Nickel	1¼	2¼
Camdeck	3	4	Nickel O	4	5
Cam'ren	7	8	Nicoba	4	6
Camray	1	3	Nipir	12	14
Can-Fer	70	75	Norbeau	50	60
C Rd C	24½	27	Normar	1	3
C All M	2	4	Ocean	95	105
Cn Man	9	11	Oklend	4¼	5¼
Cnt Hill	*8	10	Orofino	*6	7
Caral	—	10	Ortona	1¼	3
Chellew	6	8	Pacemk	19	11
Clinger	*4¼	5¼	Panther	85	90
Clix	3¼	5	Parmlee	*43	46
Columbr	*3¼	5	Pascalis	13	15
Columbin	¼	1¼	Pax nw	25	35
Comstock	2	4	Payne	—	2
Con Cop	16	18	Peach	1100	1175
Con Hrp	3	6	Pelangio	1¼	3
Cn Fred	38	43	Pickering	5¼	6¼
Crack S	5	6	Picton	5	7
Cordell	3	6	Pin P	950	1000
C Vauze	†88	95	Pitchvn	*17	19
Craibbe	†25	27	Prudent	28	30
Croydon	1	3	Quej	4	6
Derlac	3	4	Quest	1	3
Desmont	1¼	2¼	Raglan	19	20
Despina	2	3	Rahill	8¼	9¼
Destrad	1	2	Rand M	16	18
Dom Ex	†9	11	Red Brk	2	4
Dunvegn	3	4	Redcon	8	10
Durham	2	3	Redruth	3	5
East Lun	1	3	Rhyolite	¼	1¼
Echo Ind	1	3	Richgrp	4	5
E Bon	2	3	Rio Tl	156	160
Farcroft	2¼	3¼	Rob RL	25	26
Flicka	2	3	Romar	4	7
Forty Fr	30	50	Rugged	2¼	3¼
Gan Con	3¼	4¼	Russet	5	7
Gateway	4	6	Salmita	*8¼	9¼
Glenbrk	*6	8	Shield	15	25
Glencona	1¼	2¼	Sheldon	9	11
Glen Ech	*3¼	5¼	Sladen Q	60	65
G Harke	6	8	S My ex	*14	16
Gord Lab	2	3	State By	2¼	4
Gd Maq	6¼	7¼	Snow L	3	4
Golduke	1	3	Starlight	*4	5
Gov Gold	3	5	Sun Bear	1¼	2¼
Hornfault	7¼	8¼	Thorner	8	9
Hot Min	3	5	Tresdor	13	15
Hubt L	*15	17	Tower	3	6
Hud U	—	16	Ur Ridge	10	12
Hucamp	5	7	Un Pr	*228	230
Indepen	7¼	8¼	Ungay C	4	5
Jamaica	6	10	Viking	6	8
Jean Lk	5	7	Wadge	2	4
Jerome	6	9	Wesley	4	5
Kamlac	9	11	Wst RL	3¼	4¼
KB Mng	5¼	6¼	W Wasa	3	5
Kenda P	2	3	Y David	15¼	17
Kenog	*9	11	**OILS**		
Laronge	4	6	Brobar	—	50
Lrndona	2¼	4	BC Oil	300	350
Laroma	3	5	C Delhi	9¼	9¾
Larum	5	7	C Sup	1800	1850
L Exp	9	11	GS Grs	39	42
Lake R	5	8	Harvest	15	17
Lassie	12	14	Kroy	47	49
Lynwatn	4	6	Long Pt	*20	32
Lun Ec	18	20	N Surp	145	155
Magoma	2	4	O Smky	3	4
Main O	21	24	Paige Pe	7	10
Mal RL	4¼	6	Place	*39	42
Manecho	5	7	Sbmra	†85	90

Noranda-Backed Orchan Stirs Mattagami Flurry

Drill-hole speculations in the Mattagami area of northwestern Quebec are adding bounce to a more active mining market.

The new pace-setter:

Orchan Mines, which soars from a recent 55c to top at $2.75. Mid-week market price was $1.89. Its 1958 low: 10c.

A first drill hole in zinc-copper ore on Orchan's ground sparked the interest.

The quick price leap of the shares partially parallels the pattern of **New Hosco Mines** early in July, when Hosco shares climbed steeply from pennies to more than $7 on initial drilling success in the Mattagami area. New Hosco was also active in midweek at about $1.80.

Orchan's first hole was reported to have cut 100 ft. of 12% zinc, 1.0% copper, plus silver and gold values. A second hole was drilling this week.

The prospect is just south of the Watson Lake property on which the **Mattagami Syndicate** last year discovered a large-tonnage zinc-copper orebody. This property is now under option to **Noranda Mines, McIntyre Porcupine Mines** and **Canadian Exploration** which have been drilling the property.

Orchan's initial drill hole was some 3,000 ft. southeast on strike of the Watson Lake orebody.

Engineers feel there is a relationship, geologically, between the Watson Lake find and the Orchan discovery.

Noranda Mines has provided some of the financing for the Orchan program, planned after the company acquired the prospect in Galinee Twp.

In a financing agreement, Noranda took down 200,000 Orchan shares at 18c each and optioned 300,000 shares at prices ranging from 25c to 35c.

At the same time, an equal number of shares were underwritten at the same price by **E. T. Lynch & Co.,** also with 300,000 shares under option. This agreement was undertaken on behalf of the Eric Cradock interests.

Orchan holds another prospect in the area under option jointly with **Iso Uranium Mines.**

Fargo Oils Net Income Up Sharply

Net income of **Fargo Oils** in the first half of 1958 was $267,200, up from $190,000 in the 1957 first half.

Income in the latest period includes $361,400 profit from wholly-owned subsidiaries, of which $300,000 were of non-recurring nature, President A. H. Meadows says in an interim report.

Operating income was down slightly at $456,900 from $481,000, but income from all areas other than Lone Rock was up 85%. Lone Rock average output dropped sharply to 600 bbl. daily, as heavy-type crudes bore the brunt of market declines, Mr. Meadows points out.

Some improvement is expected in the last half this year, as new sales contracts will boost Lone Rock production to 1,500 bbl. daily.

Net income of Fargo in the half was $243,300, down 34% from the 1957 period. This is income after depletion, depreciation, other charges and other income.

In the six-month period, the company participated in drilling 33 oil and gas wells (17.4 net) and 11 dry holes (3.6 net).

Fargo's interests in estimated reserves have increased sharply over the previous year, Mr. Meadows says.

At mid-year of 1957, it had various working interests in 229 gross oil and gas wells (net 149.3). At end of 1958 first half, Fargo's interests totaled 379 (192.9 net) oil and gas wells.

Boost Flow L. Erie Well

An open flow potential of 2,178,000 cu. ft. was recorded this week at a well drilled by **Place Gas & Oil Co.,** on offshore acreage in Lake Erie.

This is a record level for a Lake Erie well and is the result of use of hydro-fracturing to open up the pay zone in the Red Medina formation underlying Lake Erie and an extension of producing fields on shore.

Place now plans to apply hydro-fracturing to its other wells, reports Clifford R. J. Smith, president. Economic importance of this treatment is that it permits a rapid buildup in revenue and enlarged drilling programs.

North Star Net Drops

North Star Oil operating profits dropped 6% in the first seven months of 1958 while gallonage sales rose 13% from the same period last year. F. C. Manning, president, reports that profit after depreciation and interest but before income taxes declined about 26% at $1,176,938 from $1,589,406.

Marketing operations are expanding with 18 service stations under construction or completed so far this year. A plan of amalgamation of **Cree Oil** and North Star has been approved in principle by directors of the two companies and will soon be presented to shareholders.

ANNOUNCEMENT

GAGE CAMPBELL

The appointment of Mr. Gage Campbell by the Directors of General Steel Wares Limited as Vice-President and Director of Sales was announced by S. J. Randall, President and Managing Director. Mr. Campbell brings to his new position over thirty years of successful merchandising experience.

ANNOUNCEMENT

RIO TINTO GROUP APPOINTMENTS

J. A. SADLER

J. K. B. BOOTH

J. Arthur Sadler has been appointed production superintendent of both Northspan Uranium Mines Limited and Algom Uranium Mines Limited, it was announced today on behalf of the Rio Tinto Group in Canada.

Mr. Sadler, who will now be resident in Elliot Lake, Ontario, was previously executive vice-president and exploration manager for Rio Tinto Canadian Exploration Limited in Toronto.

J. K. B. Booth, previously regional manager in western Canada for Rio Tinto Canadian Exploration Limited, has been appointed exploration manager for that company.

First B. C. Copper to Japan

Special Correspondence

VANCOUVER — A five-year struggle to bring a British Columbia copper property into production ended this week when a Japanese freighter loaded $1.2-million worth of copper concentrates.

The powder was loaded aboard the Nissan Line's S.S. Nichirei Maru bound for Japanese smelters.

It was from the **Cowichan Copper Co.** mill located at Cowichan Bay and Vancouver Island.

Japanese smelter owners lent the company $250,000 to build a modern loading wharf and gave it interest-free advances as concentrates were stockpiled. These advances total more than $1 million.

As the concentrates stockpiled they steadily increased in value, from a low of 19c a pound to today's 27c. Cowichan will be paid at the current world price at time of delivery to Yokohama and Muroran.

Your Investment Yardstick

HAS IT LET YOU DOWN THIS YEAR?

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As you can easily confirm, we called the turn of the market last October, and subsequently picked 600 for the D.J.I. So, the advice we are ready to give you NOW could hardly mislead you!

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ANNOUNCEMENT

LAKE ONTARIO PORTLAND CEMENT COMPANY LIMITED

GEORGE H. ELLIOTT

The Board of Directors of Lake Ontario Portland Cement Company Limited announce the appointment of George H. Elliott as a Director, President and General Manager of the company.

Mr. Elliott, born and educated in Canada, was, prior to this appointment, Vice-President of the Gustin-Bacon Manufacturing Company of Kansas City, Mo. He brings to this appointment wide industrial and business experience in terms of production, marketing, sales, engineering and financial organization, specifically related to the construction industry.

Metals at New Highs As Markets Improve

Base metal markets are bouncing ahead, pushing recent U. S. restrictions on imported metals into the background.

Business volume and prices are higher in copper, lead and zinc.

Canadian metal issues stage their best advances of the year on the stock market, with leading producers and speculatives plowing to new 1958 highs.

Strong U. S. buying helped push metal issues higher. Leading copper stocks paced the upswing.

These developments are highlighting metal markets:

- The U. S. custom smelter copper price has jumped to 27c lb., ½c over the primary producer level. London prices have moved to over 27c lb., up from 20c earlier this year.
- Sales higher in lead and zinc, with price of former bouncing in two moves from 11c to 12c lb., New York, and zinc price edging from 10c to 10½c lb.

Actual position of the metals, statistically, is not in itself bright, metal trade observers say.

Supply is still fairly heavy and the key U. S. auto industry outlook is not certain.

Canadian producers, like others outside the U. S., are operating under a 1.7c lb. tariff on copper reimposed by the U. S. in mid-year.

And lead-zinc import quotas, just imposed for the fourth quarter, will hurt our zinc mines particularly and place a ceiling on both metals entering U. S. (a top of 80% of the 1953-57 averages).

Key factor in copper markets is believed to be the effect of production cutbacks which were initiated by leading mines over past two years.

Buoying up copper too is the prospect of substantially more copper being taken off the market this year by strikes in the Rhodesian copperbelt and at **International Nickel Co.**

Actual production rate in July was at the lowest level in three years.

The Inco and African strikes have removed 20% of free world production from the supply.

Meanwhile, lead and zinc producers outside the U. S. are still worried over the U. S. import quotas which went into effect for the fourth quarter this year.

But the stronger price in U. S. is reflected elsewhere too. The Canadian lead price has advanced from 10½ to 10¾c lb. and zinc from 10c to 10¼c.

But protests over the import quotas are having an effect in the U. S.

The State Department, concerned over the quota's effect on relations with friendly countries, is believed to be pushing for resumption of stockpiling of lead and zinc obtained through barter of surplus U. S. farm products.

Canada is restricting imports of tin to those countries participating in the International Tin Agreement.

It was placed under import control Oct. 1 under the Canadian export and import permits act. Other members of the tin agreement had already implemented import controls.

How Stocks Climb

	Latest Price $	Week's High $	1958 Low $	% Above 1958 Low $
Campbell Chib.	7.75	7.95	3.95	96
Cons. Halliwell	.68	.72	.25	172
Cowichan	1.09	1.10	.55	98
East Sullivan	2.37	2.39	1.40	69
Geco Mines	16¾	17	7.95	110
Granduc	2.25	2.30	.92	144
Hudson Bay	57¼	57¼	39¼	46
Int. Nickel	86	86½	69½	46
Kilembe	1.98	2.00	.95	108
Normetal	3.25	3.25	2.23	45
Noranda	51½	51½	35¼	46
Quemont	11¾	12	7.50	57
Willroy	1.06	1.09	.66	60

5 Million Ounces Gold From Kerr

Kerr-Addison Gold Mines, Canada's largest gold producer, this week will pour its five millionth ounce of the precious metal. At $35 an oz. for gold, this brings total value of production since the start in 1939 to about $175 million.

The ceremony marking this milestone in Kerr's history will include pouring of 10 to 11 gold bars at one time. These bars are worth roughly $350,000 each.

Gulch Testing Maylac Prospect

An underground exploration and development program is to get under way this month at the newly-acquired gold prospect of **Gulch Mines** in the Geraldton, Ont., area, President J. A. Grant says.

The property was formerly owned by **Maylac Gold Mines** which sank a three-compartment shaft to 450 ft. with four levels. Lateral work was done to the first, second and fourth levels.

Consultants have recommended the re-equipping of the mine, dewatering workings and a development program underground, Mr. Grant says. The surface and power plants have now been completed at the property.

13 Wells Boost CWP

An additional 2,250,000 cu. ft. daily of potential natural gas production is in sight for **Consolidated West Petroleum** as a result of this year's exploration and development program.

The company has completed 14 wells on its Lake Erie offshore acreage, President E. F. Coste says in a report to shareholders.

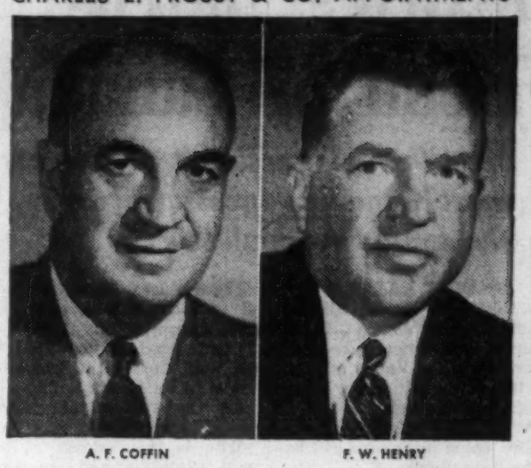
Gas sales in the first three quarters this year were up from last year and more gains are expected for the remainder of 1958, he says.

Subsidiary **Underwater Gas Developers,** contract drilling firm, is expected to show a "substantial profit" from the year's work.

Consolidated West Petroleum had one dry hole this year and 13 successes, with one other drilling. Five of the successful wells were drilled on the old, or inner, lease area off Port Alma, and eight on the new lease area.

ANNOUNCEMENT

CHARLES E. FROSST & CO. APPOINTMENTS



A. F. COFFIN F. W. HENRY

Mr. Eliot S. Frosst, President, Charles E. Frosst & Co., announces the appointment of A. F. Coffin and F. W. Henry as Associate General Sales Managers. They will be located at the Company's home office in Montreal.

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Proxy Battle As Kroy Plans Merge with Basco

A proxy battle was shaping at mid-week in **Kroy Oils** as the company planned a merger with **Basco Oil & Gas.**

Heading a dissident group is F. G. Fulton, original sponsor of Kroy.

The objections of the group to the share-for-share merger:

- Basco's valuation has been overstated, it is alleged.
- Its liabilities exceed its current assets and income is substantially less than Kroy's income, the group says.

North Rankin Sept. Profit Of $150,000

North Rankin Nickel Mines had an estimated profit of $150,500 before depreciation and writeoffs in September from a total production of $249,169, the company reports.

For the four months from June, estimated profit totals more than $500,000. Value of production so far this year is $1,824,500 with 38,529,000 lb. of concentrates produced containing 4,883,766 lb. nickel and 1,151,827 lb. copper.

Production in September included 670,742 lb. nickel and 144,097 lb. copper from 6,930 tons milled. Millheads were 5.32% nickel and 1.1% copper.

Kirkland Minerals Recovery at $17.40

Kirkland Minerals reports an operating profit of $152,582 before cost-aid assistance in the first seven months of 1958.

An interim report by S. G. Taylor, president, says 44,877 tons were milled with recovery averaging $17.40 a ton for a total value of gold production to July 31 of $780,948. Costs were an average $13.78 a ton.

The company has acquired 650,000 shares of **Norstar Lake Mines** and is sinking a shaft and will explore the Sudbury area property through 1,000 ft. of lateral underground work.

"Diamond drilling and surface work on the Norstar property has indicated the possibility of some 275,000 tons of copper-gold mineralization with the promise of a grade of 1.5% copper and 0.41 oz. gold per ton," says Mr. Taylor.

Kirkland Minerals has also acquired 90 claims in Vezza township in the Mattagami area of northwestern Quebec.

RENABIE MINES milled 16,673 tons of ore in August for gross bullion value of $85,845. Value per ton was $5.15.

Worth Noting

Financing agreements and changes in financing deals, major changes in capital, filing statements are listed as reported by the Toronto and Montreal exchanges, Ontario Securities Commission.

COPPER-MAN MINES, TSE filing statement, underwriting on 200,000 shares at 15c, options on 745,832 shares at 15c, 20c, 25c and 30c each. Company plans underwriting on 200,000 shares Porcupine Prime Mines at 15c, options on 800,000 at 15c, 20c, 25c and 30c per share.

PONDER OILS, TSE filing statement, sale of 600,000 shares Amurex Oil Co. class A common to Murphy-Canada Oil Co. Part of proceeds to retire $1.1 million notes of the company.

WATSON LAKE MINES, underwriting on 500,000 shares at 20c, options on 600,000 at 25c, 35c and 45c. Authorized capital 4 million shares, issued 1,200,007, escrowed 900,000.

ALLCOP MINES, underwriting on 100,000 shares at 10c, options on 900,000 at 10c, 12½c, 15c, 20c, 25c, 40c. Auth. capital 5 million, issued 1,700,005, escrowed 630,000 shares.

MONPRE MINING CO., reports purchase of 48 claims on which working option granted to Rio Canadian Exploration.

COULEE LEAD & ZINC, release of 85,566 escrowed shares, consented to by Ontario Securities Commission.

PORCUPINE PRIME MINES plans to increase capital from 3 million shares authorized to 5 million shares. There are 2,730,005 shares outstanding. Company has sold 200,000 shares at 15c a share and given options on a further 800,000 shares.

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NEW AND PULLS NO PUNCHES ON 596 STOCKS: We cannot promise you 100% success in the market. But we can send you a new booklet (published in October) which pulls no punches on 596 Canadian stocks. From start to finish (each stock in alphabetical order for easy reference) this booklet tells you why some stocks will probably create losses for you if you buy or hold, why other stocks should expand your profits if you buy or hold.

EASY TO READ AND UNDERSTAND: This is not some complicated coding or chart system difficult to digest and interpret. Each of the 596 stocks covered is given a brief comment which is clear and unnedging. A typical comment says "Lack of activity, poor finances, and inconclusive drilling reports make this stock a bad risk offering little chance for a price rise." Another tells you "Company has good financing, sound management, proven ability to make profit under adverse conditions — is very good for both growth and safety." Still another says "Aggressive leadership, adequate backing, well positioned properties, and active exploration make this situation good for the speculator but lack of proven worth makes it completely unsuited for conservative investor." You can tell at a glance whether it is best to buy, sell, or hold a given stock, according to your own desires in the market. Here are just a few of the 596 stocks (each has been subjected to our most rigorous appraisal) covered in this report:

Advocate	Cdn. Malartic	Gen. Dynamics	Maritimes
Algoma Steel	Conwest	Irish Copper	Mt. Wright
Bailey-Selburn	D'Aragon	Jacobus	New Hosco
Barnat	East Sullivan	Kerr-Addison	Ranger
Brunswick M.&S.	Frobisher	Loblaw	Ventures

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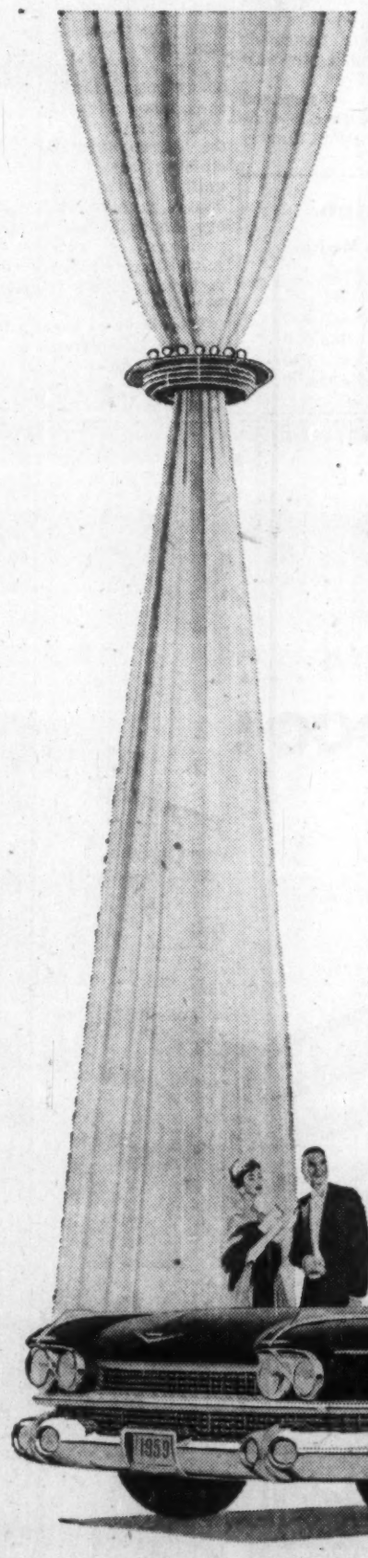

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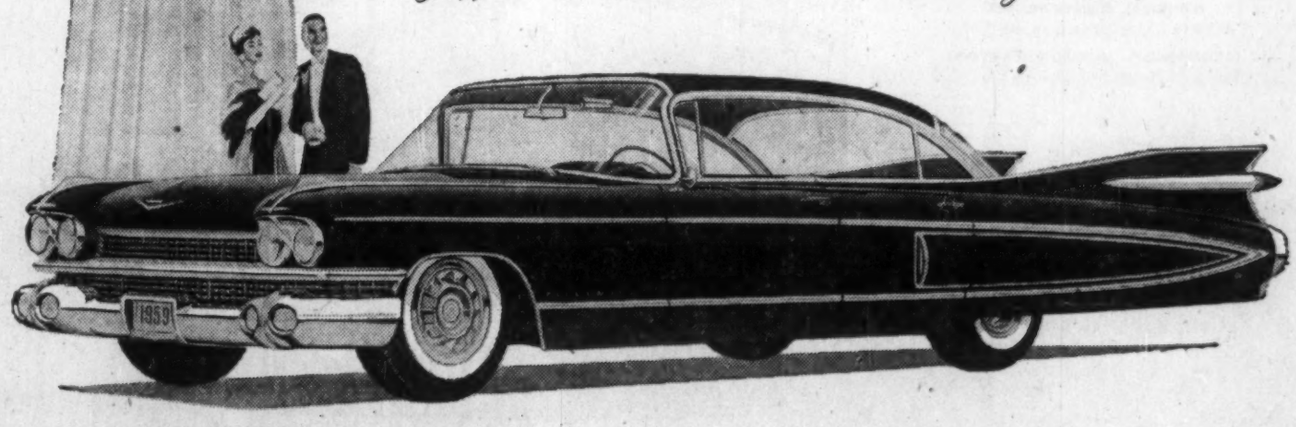

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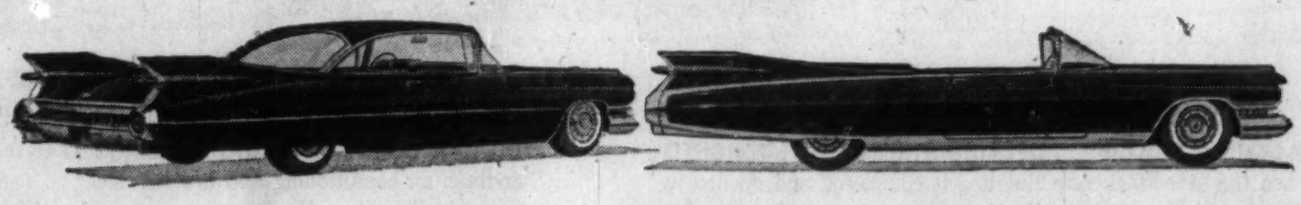

SEE YOUR CADILLAC DEALER

CAD-159C

Mexico's Mateos Friend of Canada

Meet the new president, who wants more Canadian investment in the southern republic . . .

By DICK HAYMAN

MEXICO CITY — Canadian businessmen in Mexico City this summer looked out to the hills surrounding the Valley of Mexico to see gigantic white letters spelling out the name:

Adolfo Lopez Mateos.

This name in Mexico had become inescapable.

It was painted on hillsides, high up on mountains, on roadside signs, on sides of buildings and homes, on sidewalks — everywhere.

It was — and in many cases still is — displayed in neon lights, on banners strung above streets and simply floating in the sky from balloon supports.

In a land where communication can still be primitive . . .

Where illiteracy is still a problem . . .

Where some isolated Indians still speak only their native dialects . . .

There must be only a handful of citizens who were not made aware by July 6, the day of the national elections in Mexico, that their next president was to be the youthful man who bears the ever-present name: Adolfo Lopez Mateos.

Who is this subject of the most extensive and intensive publicity campaign ever launched?

What will his tenure as president of the United States of Mexico mean to Canadian businessmen and legislators?

Lopez Mateos bears only one likeness to the man whom he will replace on Dec. this year:

Their common Christian name, Adolfo.

The present president, Adolfo Ruiz Cortines, now coming to the end of his six-year term in office, is an elder statesman who has avoided the limelight and who has followed a conservative program of steady development, avoiding any breath of scandal during his half-dozen years in the country's highest office.

The next president is only 47, a highly cultured career politician, outgoing, a former state senator, librarian, professor and college director.

He's concerned with his country's material progress, and firmly believes in surrounding himself with young, talented and idealistic men of foresight.

A staunch friend to Canada and the U. S. and an outspoken enemy of communism in any form, Lopez Mateos, while a rabid nationalist, looks forward to wide economic development during his forthcoming presidential term.

Most of that development, he knows, is coming from Canadian and U. S. capital and from new and expanding branches of Canadian and U. S. industry and commerce in Mexico.

Because of Mexico's current economic state, capitalization is to action once the new president coming from and will continue takes office.

His own home program centres around the promotion of public works — dams, hydraulic plants, roads and highways, railways, new schools and further development of the petroleum industry — and elevating the role of the Mexican woman in public life.

Aiding him with the latter is his politically astute wife, Dona Eva Lopez Mateos, who has been campaigning before thousands of women voters during the past months.

Today in Mexico all men and all women are required by law to cast votes on the first Sunday of July during a presidential election.

Those who do not are subject to fines and actual imprisonment.

On July 6 a record 10 million citizens are reported to have cast their ballots throughout the republic.

Voting for the first time in Mexico's history, women cast 45% of the total votes.

That this voting was, in a sense, farcical (since Lopez Mateos had no serious opposition, Mexico for all practical purposes being a one-party country), in no way lessened the enthusiastic campaigning that the PRI conducted from the time of its candidate's selection, last Nov. 17, up until the July 6 day of voting.

Lopez Mateos visited over 500 cities in his campaign touring, touching every part of the land.

There were other candidates for other political parties, but no one for a moment thought Lopez Mateos could be beaten.

The Partido Accion Nacional (PAN) is the Catholic party and sponsored Luis Alvarez.

The communist party, Partido Popular (PP), pushed its perennial candidate, Vicente Lombardo Toledano, although its activity was held to a minimum, not comparable to that of six years ago.

For Adolfo Lopez Mateos, heavy responsibility will come as no new experience.

As secretary of labor under the current president, cabinet member from the end of 1952 until his being named to presidential candidacy a few months ago, Lopez Mateos faced major problems of national scope, solved those problems and skyrocketed himself to top position in his party's ranks.

The six years ahead will see a stronger cementing of Canadian-Mexican ties, and from all indications a new surge of Canadian investment in Mexico.

PRESIDENT-ELECT Mateos acknowledges a crowd.

Our Trade With Mexico

Our Exports to Mexico:	
1956	$39,385,216
1957	42,612,832
Our Imports from Mexico:	
1956	$41,699,185
1957	*21,112,502

*Canada's cotton purchases in Mexico dipped sharply.

Canada's Stake in Mexico

Breakdown of Principal Foreign Investment in Mexico:

	1957 $	1956 $
Total	1,200,070,000	1,060,440,000
1. U. S.	940,529,000	831,086,000
2. Canada	161,984,000	143,134,000
3. U. K.	51,391,000	45,415,000

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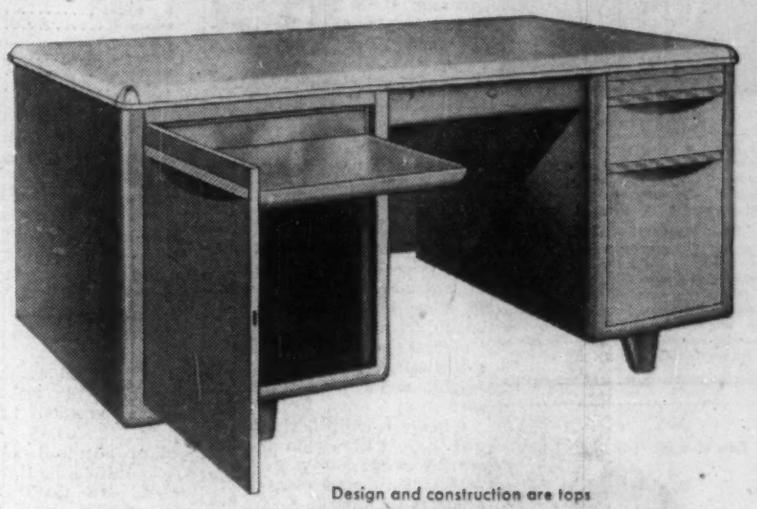

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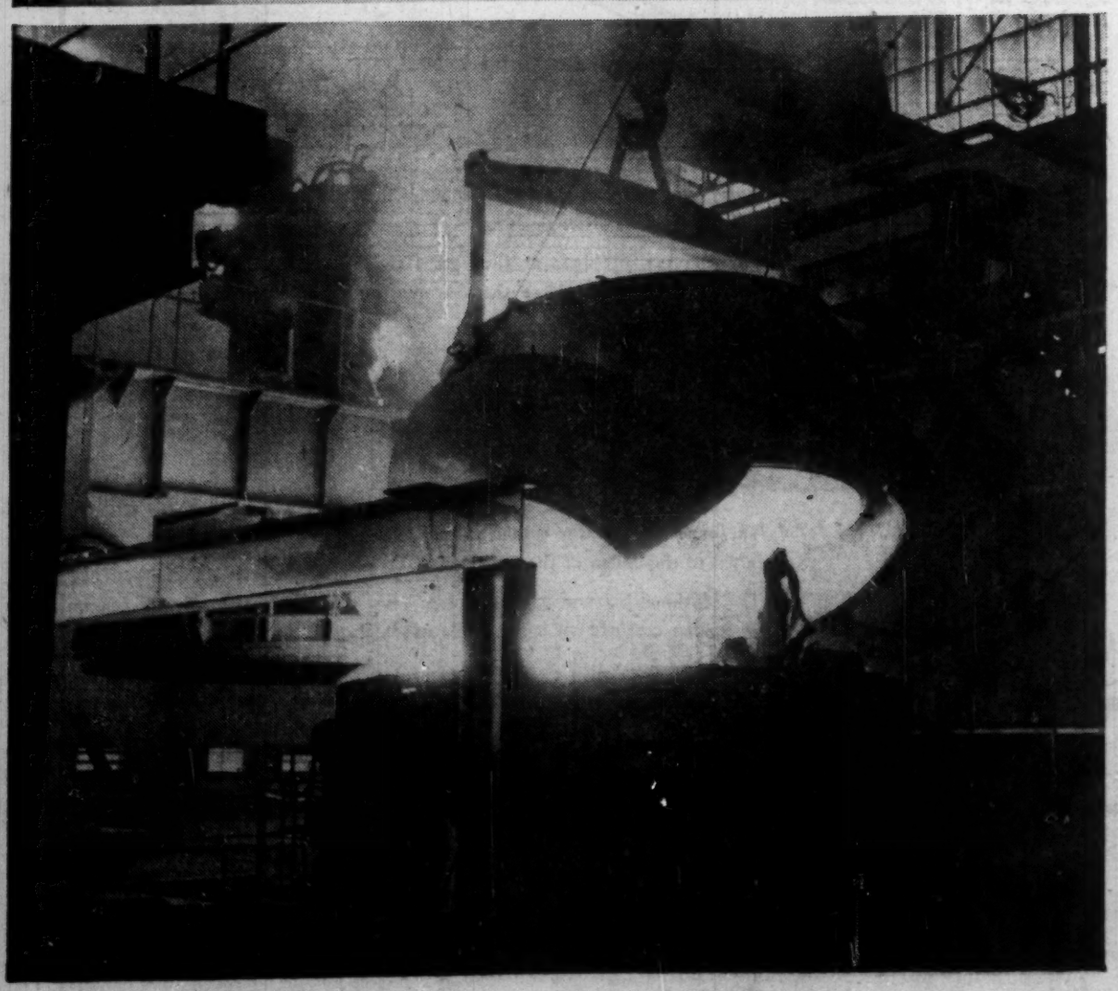
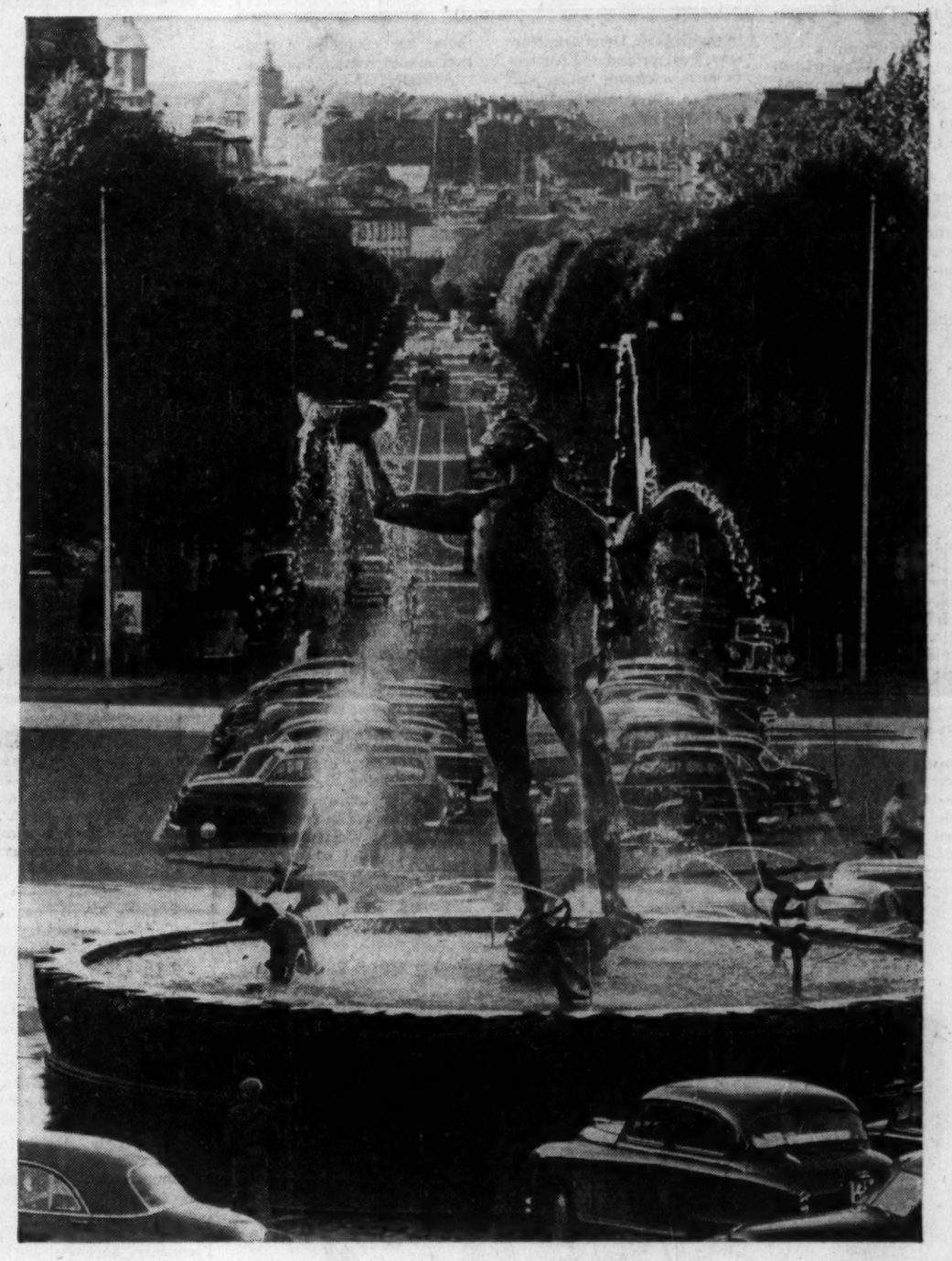


SWEDEN



a feature report

Over the years, the ties between Canada and Sweden have been thin, but strong.

While Swedish immigration to Canada never reached the flood of movement of other European countries, it has been steady, maintaining a strong cultural link between two countries similar in geography and climate and resources.

Trade has been steady, based on exchange of specialized products and essential materials.

In this special report, The Financial Post tells the story of Sweden: her industry, exports and imports — and how changing times in Europe may open up more opportunities for Swedish trade with Canada.

Free Trade Area

Sweden Opposes EEC

By W. L. DACK

Talk to businessmen across Sweden today and what are their main problems?

The first one has a familiar ring.

It's the rising cost of production, particularly labor costs.

But the second one is causing more concern in long-term planning.

It is the formation of the European Economic Community and Sweden's role in the new Europe.

On Jan. 1 next, the first move directly affecting trade goes into effect among the six member of the E. E. C.—Italy, France, West Germany, Netherlands, Belgium and Luxembourg.

On that date, customs duties in E. E. C. (also known as European Common Market) will be reduced by 10%. Progressively within a 12-year period all duties within the group are to be removed.

One-third of Sweden's exports go to those E. E. C. countries — $750 million last year.

Much of these goods are made—or could be made—by one or more of the six member countries. West Germany in particular looms as the biggest competitor, particularly against Sweden's heavy machinery, equipment and fine steels exports.

The E. E. C. countries also propose to set up a common tariff against the rest of the world. All will have the same tariff on the same articles when imported from outside the area.

For certain countries it will mean higher tariff restrictions than at present against the outside world, for others, somewhat lower tariffs.

But this is what Swedish businessmen fear most:

Creation of such a big Common Market—163 million population—will be a big spur to establishment of new industry in the area and will make possible the adoption of mass production techniques, resulting in lower production costs.

Although the impact would be gradual, Swedish business experts feel they cannot afford to let themselves be squeezed out of this market.

Swedish officials are working with U.K., Denmark, Norway, Switzerland and Austria, to form a strong "other six" country group — surrounding the E.E.C. area.

This group has proposed coming in with the E.E.C. countries in formation of a much larger European Free Trade Area.

The same regulations concerning reduction of customs duties among E. E. C. members would also apply among the much wider group.

The main difference would be this: The outside six would be left free in their tariff arrangements with the rest of the world.

Sweden — like the U. K. — does not want to jeopardize important overseas trade with dollar countries; wants to be free to maintain low, or preferential, tariffs with these countries.

Sweden has another strong reason for wanting to steer clear of E. E. C. **She does not want to jeopardize her traditional political independence.**

Negotiations with E. E. C. countries on the wider Free Trade Area are being resumed this month in Paris. How the whole thing is going to work out no one can tell.

Sweden is not overly concerned over the trade outlook for her two big raw materials —pulp and iron ore. Since none of the E. E. C. countries are important producers of these, her competitive position should remain the same.

Actually a vigorous, expanding Common Market area would require more and more of these basic raw materials.

As far as competition with Canada in these two products is concerned, nothing would be changed.

Canada's pulp exports into Western Europe have been only about one-third of those of Sweden's and represent only 7.5% of our total production.

If Sweden were to join a European Free Trade area, however, the competitive position of Canadian pulp would be worsened somewhat. In that case Sweden would move within the E. E. C tariff wall; Canada would be on the outside.

Sweden finds herself most vulnerable in the event she is left outside any kind of European trade agreement in the expanding flow of highly finished exports to European markets—machinery, specialized equipment, fine steels, textiles, certain agricultural products.

Already, her former undisputed trade leadership in certain of these fine steels and machinery lines is being challenged for the first time by one or more of the resurgent European countries—particularly West Germany.

If the worst came to the worst and certain of the E. E. C. countries defeat the attempts to form a larger Free Trade Area, then some Swedish manufacturers would have no other choice — if they wanted to hold their share of the European market —but to build branch plants in the Common Market area.

Long before the idea of creating a common market was discussed between the present six member countries, talks had started among the Scandinavian countries — Denmark, Finland, Norway and Sweden — on the possibility of creating a Scandinavian common market.

Preparatory work has gone ahead, even to proposals for abolishing present customs tariffs on 80% of the intra-Scandinavian trade.

Early planning would be to remove these almost instantaneously once agreement had been reached among the member countries.

Cdn. Exports to Sweden

(1957)

	$
Copper ingots and bars	1,902,816
Nickel (fine)	1,739,585
Aluminum in primary forms	1,737,618
Drugs and chemicals	738,658
Steel, plates and strips	490,869
Bookkeeping, calculating machinery	409,713
Nickel in matte	360,347
Fuel oil	341,443
Asbestos waste	248,736
Power-operated saws	246,111
Asbestos milled fibres	244,057
Polystyrene	204,905
Gas engines and parts	234,602
Metallic scrap	161,346
Spark plugs	126,811
Cellulose products	124,587
Fibre brick	102,817

STOCKHOLM—THE VENICE of the North. Old part of city, dating from medieval times, is in front. Star in foreground tops famous City Hall.

Shipping Revenues Balances Out Trade

It's usually said about Sweden's shipping that it always balances out the country's adverse foreign trading ratio.

It is a fact that revenue from shipping has been sufficient the last two years to overcome the excess of imports over exports.

Whether shipping will be able to do that this year is another question. Tonnage volume is running around 7%-9% below last year. But then both exports and imports are down moderately as well.

The combination of a highly industrialized country depending heavily on foreign trade and a country that's virtually an island explains the vital importance of shipping in Sweden's economy.

Virtually all the foreign trade in and out of Sweden moves by sea. **Over 2,000 Swedish ships manned by some 25,000 sailors are constantly in motion on the seven seas and along the seaboard.**

Last year gross income from merchant shipping amounted to about $280 million. Some three quarters of this was earned in trade abroad and divided about equally between trade involving Sweden and other countries on the one hand, and trade between purely foreign points on the other.

A walk along the crowded quays of Gothenburg — Sweden's No. 1 transoceanic harbor — is a geography lesson in itself.

This is the home port of a number of the main Swedish lines. Many lines operating out of foreign ports also make Gothenburg their only Swedish port of call.

As a result of an extensive construction program during and after the war, a majority of the ships are modern, fast, and equipped with the latest technical devices.

Regular connections have been established with South Africa, Australia, South and Central America, North America, and the Far East.

Well over three quarters of the tonnage consists of motorships and many of these built within the last 10 to 12 years. Most vessels are of the general cargo type, with accommodation for up to 12 passengers each.

Most of the ports in Sweden were built specifically for the needs of the export industries—particularly pulp and paper and lumber and iron ore shipments.

The sawmills and cellulose factories located at the mouths of the northern rivers have erected their own loading installations, and iron ore is shipped exclusively via two Swedish ports, Lulea and Oxelosund, and Narvik, Norway, all specially equipped for the purpose.

A record export of 13 million tons of ore were shipped from the Lapland mines out of the ports of Lulea and Narvik in 1957. The ore went to Belgium, Czechoslovakia, Germany, Poland, U. K., and U. S.

Ice Method

Free Seaway?

The promising new method of keeping waterways ice-free in wintertime developed by a large Swedish industrial concern — **Atlas Copco** — has created great interest in Canada.

Already several installations are in operation in this country, such as at the Prescott-Ogdensburg ferry line and at Slave Falls Dam in Manitoba.

Right now plans are being made to facilitate shipping in the St. Lawrence Seaway in the wintertime by installations of the Atlas Copco air bubbler system.

In the new method compressed air is forced through a polyethylene hose which has been laid down on the bottom of the bay or waterway.

The hose has been perforated by many tiny holes and the air bubbling through these holes forces the warmer water near the bottom up to the top therefore preventing formation of ice and thus keeping the channel open.

Atlas Copco — one of the biggest firms in the world specializing in air compressor equipment—has done extensive research and development work on the whole "bubbler" system and is an important supplier of the air compressor machines.

Atlas Copco's wide range of air compressor equipment includes everything from dentists' drills to the largest compressors for industry.

In recent years its revolutionary lightweight rock-drilling equipment has been used widely in some of the biggest construction jobs in Sweden.

These drills introduced into Canada several years ago have had a big impact on Canadian mining methods, has cut mining costs considerably, speeded up the whole drilling process.

The lightweight, easily manoeuvred drilling machine together with the hard, long-lasting tungsten carbide tips have given rise to an entirely new concept in drilling.

The new technique has rapidly gained in popularity with contractors and mining engineers the world over and has come to be known as the "Swedish Method."

Far below the basement of its Stockholm factory, Atlas Copco maintains a unique mining operation. A 60-ft. shaft carries workers up and down, removes the broken rock. Compressed air, water and electricity serves the mine. In the course of the years some 1,640 ft. of drilling operations have been carried out in the granitic rock.

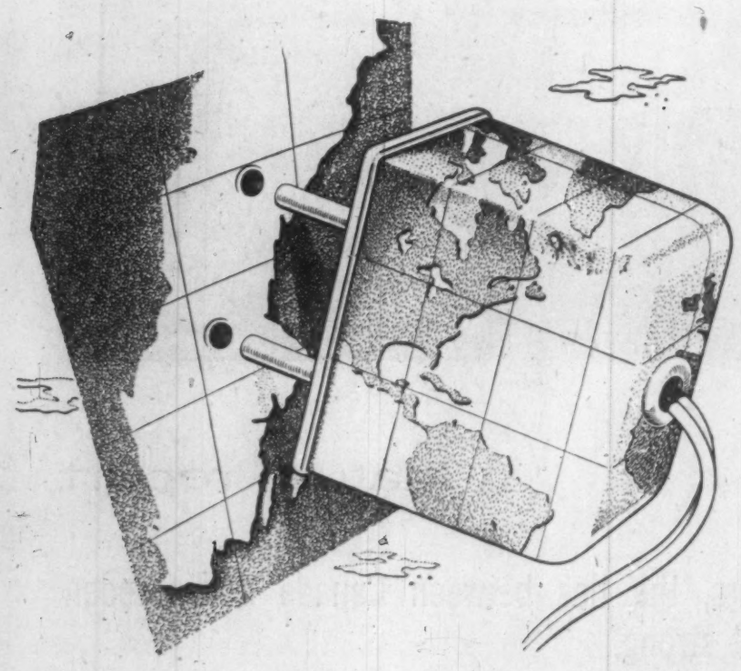
The entire mining operation is purely for testing purposes—to test the drilling equipment under conditions as similar to that which would be encountered as possible. **Important tests have been carried out in drilling of long holes, use of ancillary equipment such as chain feeds, etc.**

In co-operation with Sandvik Steel, who produce the drill steels and the tungsten carbide bits, more exhaustive tests are carried out in the Sandvik iron mines in central Sweden.

Atlas Copco claims its rock drills and the Sandvik Coromant drill steels are responsible for drilling more than 1,000 million ft. a year. Atlas Copco group has spread throughout the world.

Apart from five factories in Sweden, various Atlas Copco equipment is now manufactured in U.K., Belgium, Finland, Spain, South Africa and Canada.

A Canadian company—Atlas Copco Canadian at Montreal—is celebrating its 10th anniversary this year.



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CANADA-SWEDEN

Expect New Trade And New Thinking

Political, economic changes in Europe turning Sweden toward the dollar market . . .

By W. L. DACK

In geography, climate and character, Canada and Sweden have much in common.

Natural resources, too, are similar: forests, iron ore and metals, hydro power.

Based on these simple facts, trade between the two countries has never mushroomed as it has between Canada and other countries, buying and selling products essential to their existence.

Last year, Canadian-Swedish trade reached a peak of $28 million—we sold $12 million to Sweden, bought $16 million.

But political and economic forces at work in Europe may change this picture, may force Sweden—and some other European countries—into taking a new and harder look at the dollar market—Canada and the U. S.

In the background are some important facts:

- **Foreign trade represents 25%** of Sweden's gross national product. (In Canada, it's 18%.)
- **One third of all Sweden's exports** have been going to the countries now in the European Economic Community (Benelux, France, Italy, West Germany).
- **Western Europe as a whole takes 75%** of Sweden's exports.

"We must keep a competitive trading position in the vast European market," Swedish trade authorities in Stockholm told me. "But we don't want to give up our freedom to trade on a low-tariff basis with dollar countries. And we won't give up our political independence."

That's one reason you can look for a new drive for trade with Sweden.

Our major exports to Sweden are: nickel, copper, asbestos and aluminum; chemicals and drugs; semi-finished steels; some mechanical equipment.

We buy: fine steels, guns, drilling equipment, and a broad range of small and heavy engineered products ranging from ball-bearings to manufacturing equipment for pulp and paper.

Many of the major Swedish exporting firms have thought Canadian potential promising enough to set up subsidiaries in this country.

Easy to do Business

It is relatively easy for a Canadian businessman to transact business with Sweden. Although there have been foreign exchange controls in force since 1940 they are far from onerous and only apply to a very few special items.

Letters of Credit are used frequently but majority of business transactions are done on a collection basis which reveals a good deal of mutual trust.

A considerable amount of business is done in Swedish kronors but that presents no hardship since the kronor is freely convertible into dollars at all major Canadian banks.

Credit terms are mutually generous, usually a 30 to 60 payment term, sometimes up to 90 days.

Canadian Subsidaries

Some 25 major firms have established Canadian subsidiary companies with manufacturing and warehousing facilities. Included in this lengthening list are **S.K.F. Canadian, De Laval Co., Atlas Copco Canadian, Sandvik Canadian, Asea Swedish General Electric, S.F. Products,** etc.

Hundreds of other Swedish firms operate through various agencies and independent selling organizations in this country.

The two main bulwarks of the Swedish economy are forest products and iron. Together these industries, which include lumber, pulp and paper, iron ore and a wide range of steels and steel products, account for two thirds of the country's entire exports.

Demand has held up particularly well for this group in the postwar years, and a big new program is under way to boost production and export from the Lappland iron ore mines.

It has been the skillfully managed development of these natural resources, plus all-important technical advances in processing, that have given Swedish industry and trade their big impetus in the last 10 to 20 years. Swedish know-how in steel and pulp and paper making is still among the best in the world.

Around these natural resources has grown up a highly developed engineering industry—including everything from ball bearings to shipbuilding and locomotives. These are products dependent on high-calibre workmanship, specialized know-how. They go to all parts of the world with export representing some 30% of total production.

Hundreds of subsidiary companies and a wide network of foreign agencies have been set up throughout the world to market these products and keep in touch with marketing conditions. Although some of these products have encountered tougher competition recently, they have been able to maintain a fairly good record partly through increasing specialization and partly by spreading exports ever more widely over the globe.

There are dozens of these firms throughout central Sweden, most of them located in small towns and cities on the stream or river that was the original reason for location. In the latter half of the 19th century when most of these companies were established, the water was used to turn water-wheels to operate crude plant machinery; later to develop the firm's own hydroelectric power.

These are the firms which have adjusted themselves to changing world and market conditions in the last 50 to 75 years.

Unique Integration

By some of the most unique integration moves in industrial history, they have grown into multimillion-dollar organizations manufacturing and marketing a remarkable range of products.

At least six of Sweden's major firms are in all these fields—iron ore mining, steel-making, machinery manufacture, lumber, pulp and paper, chemicals, hydroelectric power. Two of these are in world shipping as well.

Western Europe is by far the biggest market for Sweden's wares. About three quarters of all exports go there and some two thirds of imports are supplied from there. The U. K., West Germany and U. S. are the biggest buyers and in that order. They are also the main suppliers of Sweden's import requirements. An active trade is also carried on with the other Scandinavian countries.

The balance of trade figures for the last few years emphasize the fact that Sweden's most nagging problem has been to trim her demands for imports—although this situation may be changing.

Imports of both raw materials and finished goods are highly varied and many of them essential to Sweden's export lines. Fibres, petroleum, coal and coke are among the major raw materials acquired abroad.

Foreign foods—coffee, tea, cocoa, spices, tropical fruits, and wine and tobacco, are also important on the import list. Sweden must also import fairly large quantities of merchant iron, pig iron and steel plates for ships.

There is a widely held misconception abroad that private enterprise is losing out in Sweden; that the Socialist-Democratic government, in power for 25 years now, and the powerful co-operative organizations, are gradually taking over a major share of the country's business.

This is far from the truth. Although the government and co-operatives have both widened their business scope somewhat in the last several years they still control only a relatively small proportion of over-all industry.

Using the number of workers as a yardstick, private industry employs around 90% of all workers; co-operatives 4% and the government 5%. Reckoned on a dollar-output basis the proportion would be about the same.

The state, however, is very strong in the services field, running the main communication services—post office, telegraph and telephone and participating in the operation of the Swedish Broadcasting Corp.

In transportation, the government controls some 82% of the railroads and 50% of the domestic airlines. Shipping is 100% privately owned. The tramway systems are owned by the various municipalities.

In industry, the state is strongest in iron ore and hydro power production. With the purchase last fall of the remaining interest of the big Grangesberg Co. in the world-famous Lappland iron reserves, the government now owns some 70% of all Swedish ore resources. It also owns 40% of the utilized water power resources and 50% of the remaining reserves.

The co-operatives enterprise is strongest in general retail trade, operating a big chain of stores; their proportion of over-all retail business is 11%. In the retail food business they represent about a 25% share based on number of employees.

The ambitious and still expanding social welfare program being pushed by the government has meant a heavy tax burden on the people and business.

Although the tax rate on Swedish business is about on a par with Canada, there are a number of other regulations concerning investment, new financing, provision of workers' housing which have laid a restraining hand on business.

Pensions Hot Issues

Higher corporate taxes and controls on new financing have been a major target in the opposition party's platform. Conservative and Liberal party spokesmen have been claiming that this is stifling new development within the country and working to the detriment of production generally.

The hottest issues in the recent election were the various proposals put forward for a general pension scheme. All parties agreed on the need for some broad pension system; the disagreement was in the type of scheme and how to apply it.

The government party has proposed a sweeping, compulsory type of plan that would cover everyone. The contributory payments—worker and business—would go to the government and become part of a general, growing pool.

The opposition, which favored a voluntary pension scheme with payments designed to cover each individual's pension payments, strongly attacked the government scheme. The main claim was that by getting control of such a steadily growing capital fund the government would control in time the entire money market of the country.

In the mid-September election, the Socialist-Democratic government improved its standing only slightly and does not yet have an over-all working majority. At the same time, the Conservative party improved its standing further—at the expense of the Liberals—and has emerged as the major opposition party.

On an extensive two-week fact-finding tour in Sweden W. L. Dack talked with government, industry and business officials in various parts of the country — in Stockholm, Gothenburg, Eskilstuna, Karlstads, Sandviken, Falun and many other places. Mr. Dack is an Arts graduate of Queen's University, Kingston, Ont. He taught school and worked in the investments field before joining The Post in 1944.

Machines

Big Exports

Over the years, adding machines and calculators have comprised two of the biggest Swedish export lines to Canada. Last year 2,329 adding machines were brought into this country from Sweden.

Behind most of the world's adding machines are Swedish inventors. The stories of the early dreams and trials of these men read like a novel.

In the case of the founder of the big **Original-Odhner** firm, Gothenberg, Willgodt T. Odhner spent his spare time while employed with a firm in Russia tinkering on a calculator he had started back at home.

After the 1917 revolution put an end to production there, Odhner's son and son-in-law tranferred blueprints to Sweden and were in business by the following year.

Another of the major Swedish firms in this field—**AB Addo**—had modest beginnings in Malmo with a small plant in 1918.

Hugo Agrell, the founder, gambled energy and money on developing a handy adding machine. The project prospered from the first.

Today eight factories, including plants in England and Brazil, make adding and automatic bookkeeping machines. The Agrell family still controls this enterprise.

Latest to be developed in the line of calculators was the Facit. The 10-key model produced in a plant at Atvidaberg rapidly became a very popular line in the export markets.

These three — Original-Odhner, Addo and Atvidaberg — have secured a prominent place for Swedish office machinery abroad. With an export value consistently above the $10-million-a-year mark, these products have found users in more than 100 countries.

Recently competition has been increasing from other European manufacturers. Because of the lower wage rates prevailing in such countries as Italy and West Germany the companies have been forced into more and more automation to stay competitive.

One firm, Original-Odhner, has been able to boost output over three times since 1947 with the same number of employees. Altogether, this firm employs some 800 workers. The company is dependent 80%-85% on export business. Currently a new bookkeeping machine is being introduced into the Swedish market. If successful it will likely be added to company's export lines.

Most Unusual Store

N.K. — which stands for **Nordiska Kompaniet (Nordic Co.)**—is one of the most unusual department stores in the world. It is the largest in Sweden and is high on the list of tourists' "musts" when visiting Stockholm.

In the first place it is a first-class, modern, complete store offering every conceivable type of goods for modern-day living. But it is a good deal more than that.

It has become an integral part of the fashion life of Sweden. It has become associated with top quality goods with the best in all forms of Swedish design.

But at the same time it has successfully widened its range of medium-priced goods for the high-volume middle-class market.

This has been a delicate operation but N.K. has handled it expertly.

To visitors to Sweden, N.K. is best noted for its "finest permanent collection in Sweden" of ornamental glassware, ceramics, silverware and Swedish furniture. Top designers vie for a place in N.K.'s frequent industrial art exhibits.

N.K. has one of the most unique catering services in the world. It will deliver a cooked intimate dinner for two to an apartment or hotel room or a bang-up banquet to 100 in Rome or London, complete with waiting staff, dinner service and floral decorations.

It maintains its own textile and furniture plants and the largest interior decorating department in Sweden. It has taken on unique furnishing assignments ranging from Nomad schools in Lappland to the Shah of Persia's luxury train.

The General Assembly Hall of the U.N. building in New York has handwoven N.K. curtains. The delegates in the U.N. General Assembly sit on chairs made by N.K. in its own furniture plant.

It also runs a chain of well-known foodstores — some 75 of them; about 50 are in and around Stockholm, the rest in the other large cities of Sweden.

N.K. has Sweden's biggest private telephone exchange—mainly automatic. With over 700 extensions it handles about 27,000 calls a day. **The annual consumption of wrapping paper is enough for a path two feet wide from Stockholm to below the Equator.**

Some 4,200 people are employed in the N.K. organization, some 2,500 of them in the department store building.

In N.K.'s training school, juniors get a training course for at least two years, parallel with practical experience in the sales departments. They are taught in business matters and in the English language.

N.K. has been able to maintain an annual 5-7% sales volume increase despite sharpening competition from Co-operative retail chain and, more recently, establishment of direct home-to-warehouse organizations and other forms of discount houses.

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AND CONTROL REGISTER

giving entrance and alighting stations, fare, audit slip, total receipt, etc. Time-saving and excellent control.

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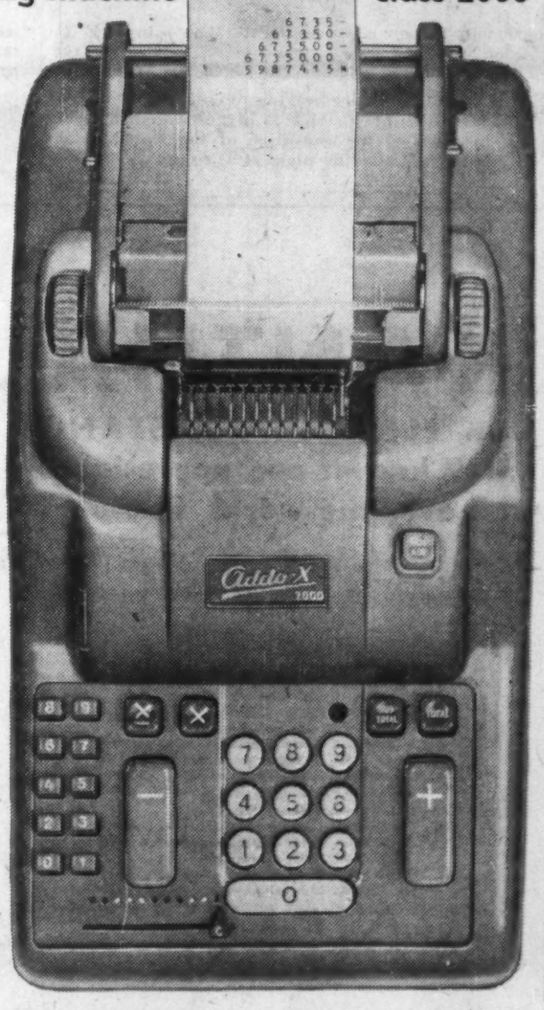

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Engineering

Healthy, Expanding

How have today's big Swedish engineering plants, specializing in massive equipment, worked into their particular product lines?

How is it that engineering industries in certain countries —like Germany, the U.K. and Sweden—go in for this heavy specialized equipment?

I asked these questions on many occasions during a plant tour through central Sweden.

The answers varied widely.

In certain cases where the companies were part of a big industrial group, product integration within the group was the chief deciding factor.

For example, one of Sweden's biggest industrial concerns grew up around shipping and shipbuilding. It was logical that different plants in the group should specialize in such products as ships, propellers, diesel engines, ships' plates.

Another firm that started out making two special types of equipment for pulp manufacture gradually added more and more specialized machinery in this field as new developments in pulp manufacture dictated.

Another firm that started out making rock drills gradually added more and more lines in the compressed air field. Today it makes everything from dentists' drills to heavy compressors for a wide range of industry.

In some cases, it was just a matter of more fully exploiting an important invention, some special know-how. For instance, **Karlstads Mekaniska Werkstad**, at Karlstad applied a successful new principle that worked on a water turbine to ships' propellers and added that particular new line of endeavor.

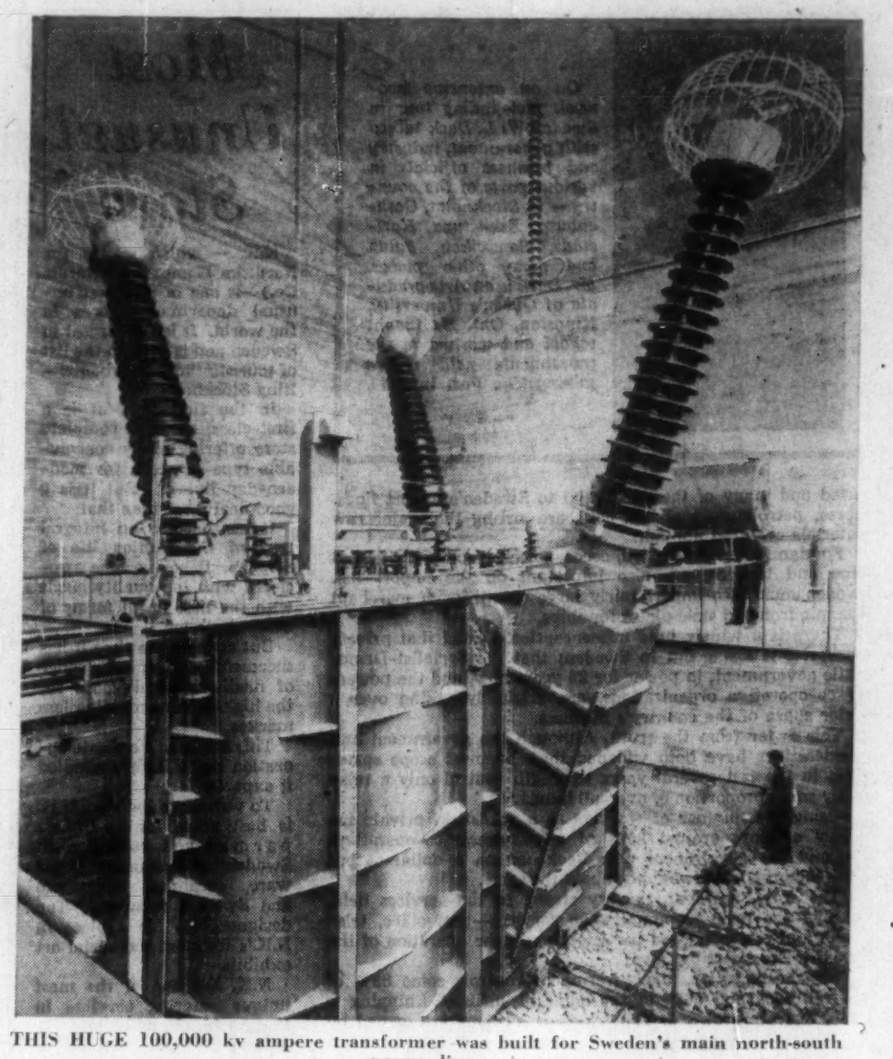
Asea — Sweden's biggest manufacturer of heavy electrical generating equipment — was given the responsibility of solving many of the country's big power problems. In doing so, Asea generally followed up with actual production of the new equipment for both the home and export market.

Other companies diversified into complementary equipment through licensing arrangements with other manufacturers both in Sweden and abroad.

In Sweden the development of a big, healthy, expanding engineering industry was a natural evolution. It was built on plentiful supplies of iron ore, several centuries of know-how in iron and later steel-making and a pool of skilled workers.

It was a natural development that a country too small to go in widely for mass production products and techniques should specialize more and more in making the heavy capital equipment that calls for painstaking, skilled engineering.

Today the range of machinery and equipment made in Sweden far outpaces that of any other country in the world of even twice its size. Last year's production figure rose to a record $2.3 billion of which some 35% was for the export market. It is estimated that about one third of the country's industrial work force — some 300,000 men — are employed in engineering trades.



THIS HUGE 100,000 kv ampere transformer was built for Sweden's main north-south power line.

Today about one half of the engineering exports go to the main western European countries. Sweden's Scandinavian neighbors — Norway, Denmark, Finland — take about one third. The dollar countries — particularly U. S. and Canada — have been important customers.

Shipbuilding is one of Sweden's main export industries. Annual production is running around 700,000 gross register tons, of which about 60% is exported.

Heavy electrical generating equipment is going out to many export countries, a result partly of aggressive research on the part of Asea.

Printing presses have become an important Swedish export article in recent years.

One of the most rapidly growing products both for the home and export markets is the Swedish Volvo car. Volvo has its sights set for an 80,000 unit volume this year with some 15,000 of its PV 444 models expected to go to the growing U. S. market.

Several Swedish firms are far along on research and manufacturing programs in the field of atomic energy and the next few years will see deliveries both of heat and power radiators. These firms make no bones of the fact that they are out to carve out a section of the world market for themselves in this field.

Because of the dependence of Swedish engineering on exports, the negotiations being carried out regarding increased freedom of trade in Europe are being followed very closely.

In the meantime by constant improvements in production methods, increased investments in capital equipment and highly qualified staff, the Swedish engineering industry is preparing to meet the harder competition which may follow.

The manufacture of machinery did not really get under way in Sweden until early in the 19th century, when many of the now well-known Swedish engineering firms started production on an industrial scale.

Each firm generally dealt in a number of products and even up to the beginning of this century many firms were still turning out a very large range of products.

But then a change took place. The main factor was probably the inventions during the period which laid the foundations for such world-embracing concerns as **SKF, AGA** and **Separator.**

In the electrotechnical field, too, a new impetus started which led to the formation of enterprises that have won a world-wide reputation such as **Asea** and **L. M. Ericsson.**

Our Machinery Purchases

Machinery and Equipment Exports to Canada in 1957

Machinery—paper working	$ 22,029
Newspaper presses, parts	38,108
Printing presses	164,882
Air compressing machinery	153,322
Metal drilling machinery	30,325
Metal grinding machinery	74,800
Metal milling machines	40,455
Metalworking presses	39,834
Metal shapers	42,918
Metalworking machinery (n.o.p.)	68,462
Cranes (not made in Canada)	145,564
Cranes (made in Canada)	236,613
Cranes, hoists	22,238
Paper mill machines	49,598
Pulp mill machines	24,049
Power pumps	141,661
Water turbines and parts	169,417
Wire stitcher staplers	68,606
All machinery (n.o.p.)	897,306
Air conditioning apparatus	20,336
Power jacks and parts	25,557
Woodworking machinery	114,783

AN SKF SPHERICAL roller bearing in company's block-long plant at Gothenburg. SKF is biggest Swedish firm operating in most of the countries of the world. Has modern Canadian plant at Toronto.

Agriculture

Income In Line

In Canada it's difficult to conceive how Swedish farmers can make a living on five to 10-acre farms. Yet a third of all the farms are in that acreage range. Another third are between the 10 and 20-acre size.

Part of the answer lies in intense cultivation and more animal production. **Part of it also lies in a unique commodity pricing system worked out between the farmer's central associations and Sweden's Socialist-Democrat government.**

It is a system that's unparalleled anywhere else in the world. It's designed to maintain farmer income roughly in line with industrial workers in certain areas and also to curb a heavy worker shift away from the farms to cities.

Roughly the pricing system works out this way: The average income for industrial workers in the two lowest income areas are determined.

The prices for the farm commodities are then agreed upon between the two parties — the government and the farmer's union — so as to provide the average farmer with an income comparable with that of the industrial employees.

But since these prices always have to be set higher than comparable world commodity prices another set of steps has to be provided.

The major one is establishment of an import levy. These levies are set very carefully since they hold for a three-year period. At the same time floor and ceiling price levels are set.

Imports and exports can be freely carried on between the two price levels. Under floor prices imports are automatically stopped; and above ceiling prices import levies are reduced.

Even under these fairly set pricing arrangements the farmer price can vary up to 15%; the variation usually reflecting changing world prices.

The pricing affects all farm produce from potatoes to meat and butter.

Actually in Sweden some 75% of total farm income comes from animal produce with milk and milk products bringing in some 40% of the total farmers income. **Meat—the next major money-earner—supplies around 29% of the farmer's income.**

Over-all, Sweden is a modest net exporter of agricultural products in most years. In recent years the export surplus has averaged around 10%.

Her main exports are soft wheat — in certain years — mainly to West Germany; butter, mainly to U. K. and

(Continued on page 58)

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KANTHAL A-1 for elements operating at 2460°F (1350°C)
KANTHAL A for elements operating at 2370°F (1300°C)
KANTHAL DSD for elements operating at 2190°F (1200°C)
KANTHAL DSI for elements operating at 2100°F (1150°C)
2. NIKROTHAL heater element alloys (nickel-chromium and nickel-chromium-iron)
NIKROTHAL 80 for elements operating at 2190°F (1200°C)
NIKROTHAL 60 for elements operating at 2060°C (1125°C)
NIKROTHAL 40 for elements operating at 2010°F (1100°C)
NIKROTHAL 20 for elements operating at 1920°F (1050°C)
3. PRECISION RESISTANCE WIRE KANTHAL DR and NIKROTHAL L
4. PREFABRICATED HEATER ELEMENTS for construction of furnaces, kilns and ovens, elements for starting and braking resistors for electric railways and trolley buses, elevators, cranes, stage lighting, etc.

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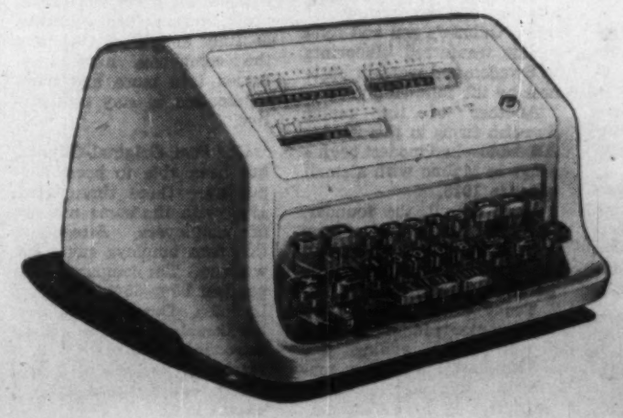

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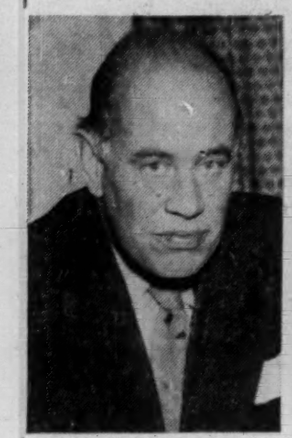
Canada and Sweden 'Are Great Traders'



By GUNNAR LANGE
Swedish Minister of Trade

In speaking of trade relations between Canada and Sweden, a natural first reaction is to point to the similarity in basic approach to trade policy in many fields.

Both Canada and Sweden have built their prosperity on foreign trade. Both countries export more than one fifth of their total production, while approximately the same proportion of their total consumption is being filled by imports.

In terms of foreign trade per capita, both countries must be considered among the really great trading nations.

This similarity extends even to the structure of their respective trade; both countries build much of their exports on minerals and forestry products.

Lumber, pulp and paper are thus very large items in Canada's export list, while iron products are on the increase, and in non-ferrous metals Canada is of course the largest exporter in the world.

Generally speaking, the proportion of raw materials and semi-finished goods figures very large in both cases.

These similar conditions in the economies of both Canada and Sweden have of course a tendency to restrict the scope of trade exchange between the two countries.

Canada has no reason to buy any of our staple exports.

In other goods too, the range of Swedish exports to Canada is not so wide as one would wish, although developments in later years have somewhat extended this range.

The Canadian market is being dominated by U. S., where 70% of Canadian imports originate, there is only 30% to divide between all others.

Since Britain has 10%, and Latin America and a few other countries also 10%, there is only 10% left over for Europe and the Commonwealth outside of Britain.

Even if thus Canadian imports from Sweden so far are relatively insignificant, Swedish exporters attach great interest to the Canadian market especially for iron and steel, machinery and tools, which are important items in the Canadian list of imports from Sweden.

Canada has latterly shown more interest than before in extending her trade relations with the European markets, probably to a great extent in connection with her dynamic industrial expansion, and this is a matter of great interest and satisfaction to her European partners including Sweden.

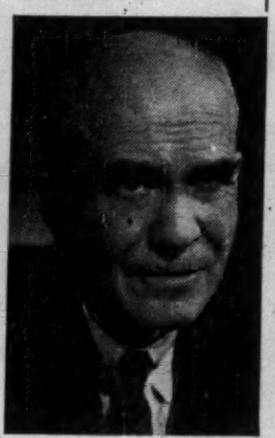
Canada is of course in the front rank of countries with an extraordinary potential of economic progress. Her rich natural resources guarantee her a brilliant economic future.

The current Canadian expansion has several facets of extreme interest to Sweden, and this progress will surely mean an increased demand for goods within the categories of special importance in Swedish exports to Canada.

The expansion potential in trade relations similarly extends to Canadian exports to Sweden.

I wish to emphasize that Canada now has important markets in Sweden for her minerals, metals and chemicals, and I am convinced that these markets can be exploited more fully and also be extended to a larger assortment of goods.

The fact that the Financial Post, the leading economic publication of Canada, now devotes a special issue to Swedish-Canadian trade matters, is to my mind an indication that my views about the future possibilities of expansion in this field are shared by our Canadian trade partners.



By HON. GORDON CHURCHILL, Minister of Trade and Commerce

Information is an essential commodity, sought by businessmen considering the expansion of their commercial relations with other countries.

"The Financial Post" is to be commended, therefore, on its efforts to provide Canadian readers with a better understanding of Sweden.

The fact that less than one per cent of our total exports are shipped to Sweden and less than one per cent of our total imports originate in that country more than justifies the decision to provide Canadians with information that will assist them in seeking new outlets for their goods in Scandinavia.

The fruitful exchange of merchandise depends on quality, price and continuity of supply. It is natural, perhaps, that our major item of export to Sweden should be nickel, of which Canada is the world's largest producer, as this is required for the highly industrialized economy of that country.

A proportion of this returns across the Atlantic, however, in the form of fully-finished manufactures, as our principal purchases from Sweden consist of machinery, ball and roller bearings.

This is another example of two-way trade, which is so desirable in maintaining close relationships with other lands. It is gratifying to note, however, that Canadian manufactures can compete in Sweden with those of countries closer at hand.

I trust more Canadian firms will consider the potential opportunities of that market, which have improved to some extent in recent years.

Canada's exports to Sweden in 1957 were valued at $12 million, compared with $8 million the previous year.

On the other hand, our imports were valued at $16 million, as against $17 million in 1956.

I am confident that our two countries, which seek high levels of world trade and reductions in trade barriers, will come to depend on one another as reliable sources of supply to an ever increasing extent.

I also hope that those with funds to invest will participate with us in the economic development of Canada.

AUTOMATIC MATCH MAKING machine at Swedish Match Co. plant. Company is one of pioneers in match manufacturing and is biggest in the export field.

Iron Ore
90% for Export

Iron ore is just about as important to Sweden's economy as wheat is to Canada's.

Ore production has been steadily stepped up in recent years, and last year output was a little over 20 million tons, or some 5% higher than in the previous year. This virtually parallels Canadian production in 1957. (21 mill. tons.)

Iron ore is important to Sweden's trade position because approximately 90% of it is exported. Last year this represented the equivalent of around $220 million.

For years, iron ore has been one of the country's basic export items, representing 10-12% of total exports. The top quality grades are used almost exclusively in the domestic industry for production of Sweden's quality steels.

Western Germany is the best customer for the ore. Last year this market took about half of the 17.5 million tons of export. U. K. took 25%, Belgium 17% and U. S. 4%.

The U. S. market, formerly one of the biggest outlets, has been dwindling for several years now as foreign sources, including Canadian ore, replaces Sweden's product.

Sweden has lots of ore. The surface has just been scratched in the huge Lappland deposits. In the more accessible deposits in central Sweden there are an estimated 200 million tons of proven ore.

The ore is located in three relatively clearly defined areas; the Bergslagen region in central Sweden, the Skelleftea field in northeastern Sweden and the fabulous Lappland range in the northernmost part of the country.

The domestic iron and steel industry is based principally on the ores from Bergslagen region. The industry was located around these deposits in the 17th, 18th and 19th centuries because they were low in phosphorus content and this was the only type of raw material usable for making iron in early times. These low-phosphorus ores include the famous Dannemora ore, known all over the world for its remarkable purity.

More than half of the deposits in Bergslagen area have fairly high phosphorus content. But new processing developments have enabled the steel industry to make wide use of these ores today in iron and steel-making. The most important of these latter deposits are in the Grangesburg field.

Today ore production here is running from 4 to 5 million tons a year, most of which is exported. Three of the chief operators in this region are **Stora Kopparberg, Grangesberg** and **Uddeholm.**

By far the largest deposits in the country are those of the Lappland range above the Arctic Circle. These are exceptionally high grade with an iron content of 50%-70%. The largest deposit is in the Kiruna field, the biggest known single continuous body of rich iron ore in the world. It is estimated to contain over 1,000 million tons.

Until recently the big Kiruna deposit has been worked by open pit method but the entire operation is gradually being converted to a completely underground method. **When it does, this will represent the largest underground mining operation in the world.**

Almost all the Lappland ore is exported; bulk of it through the Norwegian port of Narvik. A substantial portion is also exported from the Gulf of Bothnia port of Lulea on Sweden's northeast coast.

One of the biggest developments on the iron ore front recently has been the Swedish Government purchase last October—for $200 million—of most of Grangesberg's interest in the big northern deposits. The State had acquired half the share capital of the Lappland operation in 1907 and at the same time retained the right to take over the rest.

Grangesberg retains around a 4% interest in the operating company and and shares with the state ownership of the special sales company which will handle selling of the ore. Grangesberg retains the shipping privileges for this ore.

Deposits of other metals are limited in Sweden. Domestic supplies of tungsten and vanadium are fully adequate for domestic needs, but the small deposits of manganese, molybdenum and nickel ores are already largely exhausted. Chromium has never been found in large enough quantities to justify mining.

Uddeholm
Vast Empire

The **Uddeholm** organization in Sweden is quite unlike anything found on this side of the Atlantic.

Its integrated operations encompass iron ore mining, iron and steel manufacture, chemical production, lumber, pulp and paper operations, hydroelectric power development, a railway and a shipping line.

Last year sales volume was approximately $84 million and company products went out to virtually every market in the world.

Yet the headquarters of this giant enterprise is in a modern, yet unimpressive building in a quiet little town of 1,000 inhabitants in the western Sweden province of Varmland.

The sales staff can walk to work along quiet country lanes.

It was here that Johan Carlstrom built a blast furnace and a hammer to get Uddeholm's first iron mill under way in 1668.

When you ask an Uddeholm official to sketch in a little of the historical background of this rather remarkable firm he'll probably launch into the story with all the enthusiasm of a first-told tale.

Yet he has probably told the same story many times.

It is a story sequence much the same as the development program of a number of the major Swedish firms.

The forests were required to supply the timber, first for burning fires on the ore veins to loosen the rock, later to supply the charcoal for the essential fuel in the furnaces.

With the forests it was a natural second step to get into timber production for sale, to add pulp and paper later.

When the Bessemer steel-making process with its dependence on coke — which Sweden didn't have—revolutionized the steel-making operation the Swedish mills were hard hit.

Then came the development of hydro-power for use in electric steel-making furnaces and the re-emergence of Sweden as a major producer of high-quality steels.

Although the Uddeholm

(Continued on page 57)

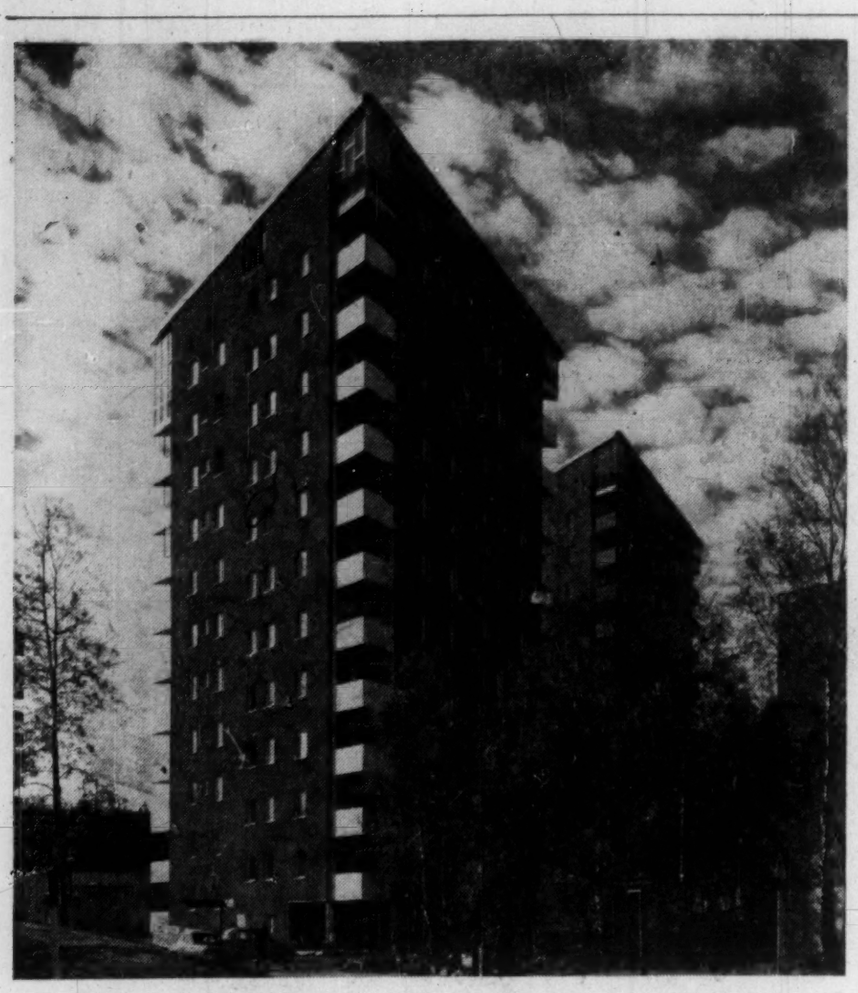
WORLD LEADER IN COMPRESSED AIR—The Atlas Copco Group of associated companies is the world's largest organization devoted solely to manufacturing compressed air equipment and brings to each customer knowledge and experience gained throughout the world. Headquarters of the Atlas Copco Group are in Stockholm, Sweden.

LEADERSHIP THROUGH RESEARCH—Atlas Copco's vast research and development program leads to refinements and new equipment that maintain the company's position in the field. An entire mine in Stockholm is used solely to test Atlas Copco drilling equipment. Company research has led to the lightest gas-driven rock drill in the world and the use of compressed air to prevent harbours, lakes and log ponds from freezing over. A pain-reducing dental drill has recently been introduced by Atlas Copco.

MINING, CONSTRUCTION AND MANUFACTURING EQUIPMENT—Atlas Copco's system of combining lightweight rock drills with Sandvik "Coromant" tungsten-carbide tipped drill steels has revolutionized drilling techniques in mining and construction and is known throughout the world as the "Atlas Copco Method". The company supplies mining and construction with a wide range of auxiliary equipment including stationary and portable compressors, air hoists, loaders, concrete breakers, sump pumps and pile hammers. Light air tools such as screw drivers, impact wrenches, chipping hammers are supplied to manufacturing industries and Atlas Copco spray guns operating off small compressors are outmoding present industrial painting methods. All Atlas Copco equipment is backed with the company's world-wide reputation for high standards of service.

ATLAS COPCO A B STOCKHOLM SWEDEN GROUP HEADQUARTERS OF THE ATLAS COPCO COMPANIES

Atlas Copco



MORE HOUSING UNITS are being built in Sweden than ever before. This year should see 60,000 new units. The building trend is more towards apartments than houses.

Prefab Houses

Relieving a Shortage

In a country that has tremendous supplies of lumber and an acute housing shortage, it was inevitable that the construction of prefabricated dwelling units would become big business.

These have been built all over Sweden, from north of the Arctic Circle right down to southern Sweden. Although manufactured chiefly for the home market, there has been a sizeable export from time to time, chiefly to U. K.

One of the most unique of the Swedish enterprises being carried on today is that of **AB Elemanthus** at Mockfjord in Dalarna province in central Sweden. The product turned out at this modern, integrated plant is the result of several years of research and a fresh approach to the whole prefabricated idea.

Fundamentally, the designers of this house were trying to turn out a high quality product in line with as simple and automatic a construction job as possible. The final product had to be eminently suitable for living conditions throughout most of Sweden and had to be within the financial scope of the average working citizen.

The Mockfjord location was chosen because it was on a river that could supply the works with a plentiful supply of logs and because it had a sawmill handy to start with.

Production target had originally been set at a 375-unit-a-year level but has since been raised to a 750-unit level.

The main reason for success of this operation has been in the simplicity of manufacture with high degree of automation worked out by the designers. This has included design and manufacture of special equipment for certain operating steps.

The operation starts with the original log and ends with painted panels. All timber is sized to a single standard dimension except for a limited quantity for certain rough work and for joinery details.

The rough, kiln-dried boards enter the production line on a traverse conveyor at the unit factory. Here special machines trim, plane, glue, drill and join the lumber.

This is a continuous production line process in which the all-important end product is a structural unit ready for shipment. This structural unit is a continuous hollow, square column measuring roughly 8 inches by 10. This endless column is cut into lengths of some 8 feet by 5 in. by an automatic slasher controlled by photo-electric cells. These columns are the "elements" or building blocks which have given the company its name.

The columns emerging from the production line are filled with tamped sawdust and shavings — for insulation —also by a fully automatic machine, and are transported on conveyors to various assembly lines. There, some are cut into different lengths for various purposes, others are fitted with electrical conduits, others are precut to provide certain elements for plumbing installation.

All these sections finally reach the painting shop where they are spray-painted as they move along. After drying they are packed in bundles of 20 and transported by fork-lift trucks to the storehouse.

These elementary columns —the basic substance of the whole house — are produced on a continuous basis at a rate of 30 ft. per minute.

In the meantime other units of the plant are turning out floor and ceiling units, precut rafters, bathroom floors complete with marboleum, doors and windows, electric wiring, plumbing and heating units, eavestroughs and spouts, prefabricated metal chimney elements.

The production from these other plant units are synchronized with the central plant manufacturing so that the material flows from the various plant units to the storehouse at the rate of two complete, story and one-half six-room houses per day.

In the storehouse, all the various units making up a complete house are packed in standard 50-ton packages, making up one complete heavy truck or half freight car load. Four such packages make a complete house and the company's own trucks transport the materials to the customer's building lot anywhere in Sweden.

The customer is expected to provide his own foundation walls and basement to the company's specifications. **Specially trained erectors then set up the house in about two weeks' time.**

The main elements in the house then are the hollow, insulated columns which form all exterior and interior walls, floors, ceilings, joists, beams. These are rapidly erected and held together with wooden dowels.

There are practically no nails and only a few bolts in the entire building. The roofing material is usually tiles which are relatively low-priced in Sweden.

Cost of house varies with the model of which there are several. A standard house is 25 ft. by 32½ ft. with four rooms and entrance hall downstairs and two unfinished half-story rooms upstairs. Elemanthus management claims selling price is roughly 10-15% lower than the corresponding type of house made in the conventional fashion.

The company does not plan to export houses but rather to export the know-how with the necessary patents and special machinery. Some initial problems, of course, might be encountered in complying with different building codes in the different countries.

Wenner-Gren

B. C. Awaits Survey Results

Canadians are eagerly awaiting some definite word on what could be one of the biggest natural resources development programs in Canada's history.

Wenner-Gren B. C. Development Co. backed by Swedish-born financier Dr. Axel Wenner-Gren is expected soon to give some indication of the results of this summer's big survey program in the resources potential of a 40,000 sq. mile area in the Rocky Mountain Trench area of northeastern B. C.

Biggest stress in this year's work has been on the hydro power development portion of a huge multi-million-dollar program that could in time involve pulp and paper projects, mining developments and construction of a railway into the virtually unknown area.

Early cost estimates of the power development ranged between $400 million and $600 million.

Wenner-Gren's power plan for the Rocky Mountain Trench would mean creation of one of the greatest man-made lakes in the world — 260 miles long and 10 miles to 15 miles wide.

Plans would be to construct a dam east of Finlay Forks on the Peace River before it flows east through the Rocky Mountains.

There is no question about the tremendous hydro potential of the project. The big question in many Canadian minds is whether the power created could be transmitted the 500 miles south to the big Vancouver and Lower Mainland market area at a competitive price.

One of the major problems in most long-distance transmission proposals is the dissipation of power en route.

But Swedish power experts have made remarkable strides in recent years in overcoming this particular problem; they have already successfully managed economic transmission of hydro power from the northern section of Sweden right down throughout the length of the country by construction of a 380,000-high-voltage system.

Wenner-Gren engineers estimate hydro power demand will grow more rapidly in this section of B. C. than in any other part of the continent.

It is understood that the survey carried out this summer by the **British Thomson Houston Co. (Canada)** is far ahead of schedule despite the many forest fires in the area. **FP** understands the summer survey makes the power project look better than ever.

It is estimated that first power deliveries could start by 1964. Engineers say that one million hp is possible; four million hp if certain waters are diverted.

Mineral and other surveys have been going ahead this summer but the big accent has been on power because this project could stand on its own feet; it could also be counted on to attract considerable new industry into the Peace River area.

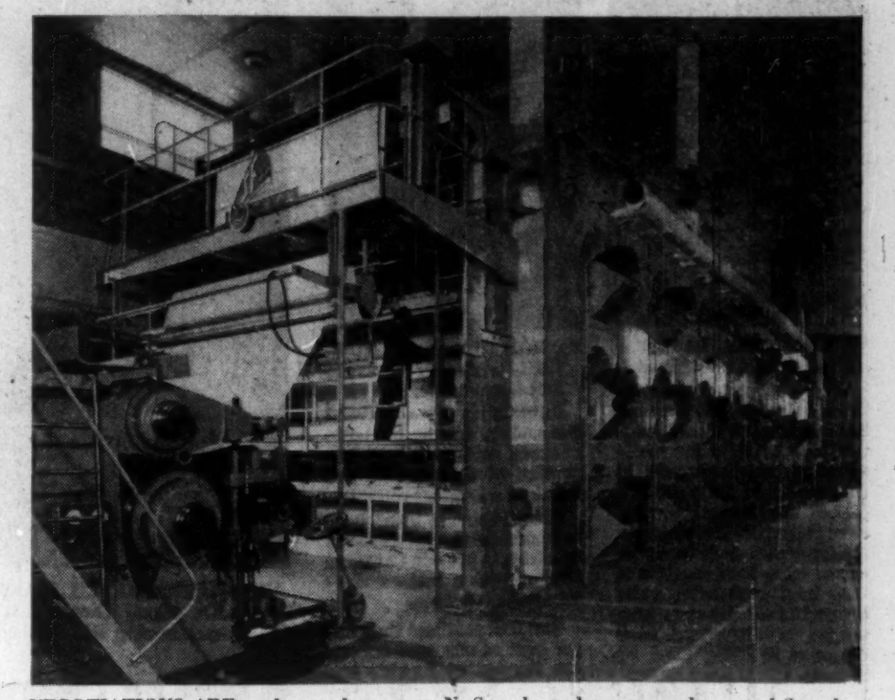
The company posted a $500,000 deposit with the B. C. government as a guarantee that the survey work would be done. Indications are that some $5 million has already been spent in the extensive survey work.

It is known that preliminary surveys on the pulp and paper potential in the 40,000 sq. mile area indicated sufficient pulp reserves to justify several mills.

One of the big problems, of course, will be to provide transportation in and out of the remote area.

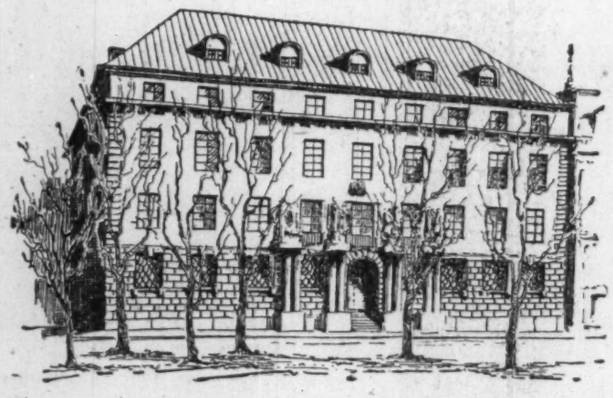
The Wenner-Gren interests are considering — among other possibilities—construction of a monorail from the **Pacific Great Eastern** line at Fort McLeod 400 miles north through the Rocky Mountain Trench to the Yukon border.

The B. C. government has given the Wenner-Gren interests until the end of 1959 to complete their surveys. An early statement is expected on the power part of the project.



NEGOTIATIONS ARE underway between a N. S. pulp and paper producer and Svenska Flaktfabriken for sale of this paper drying machine.

STOCKHOLMS ENSKILDA BANK



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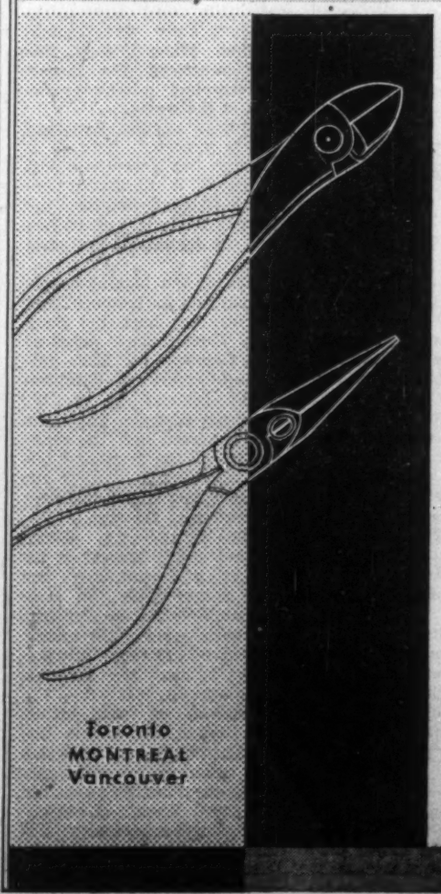
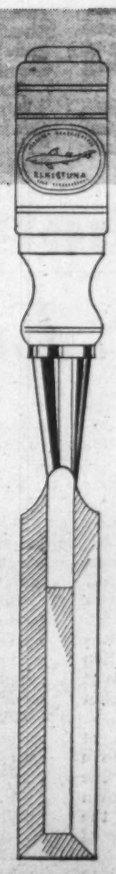




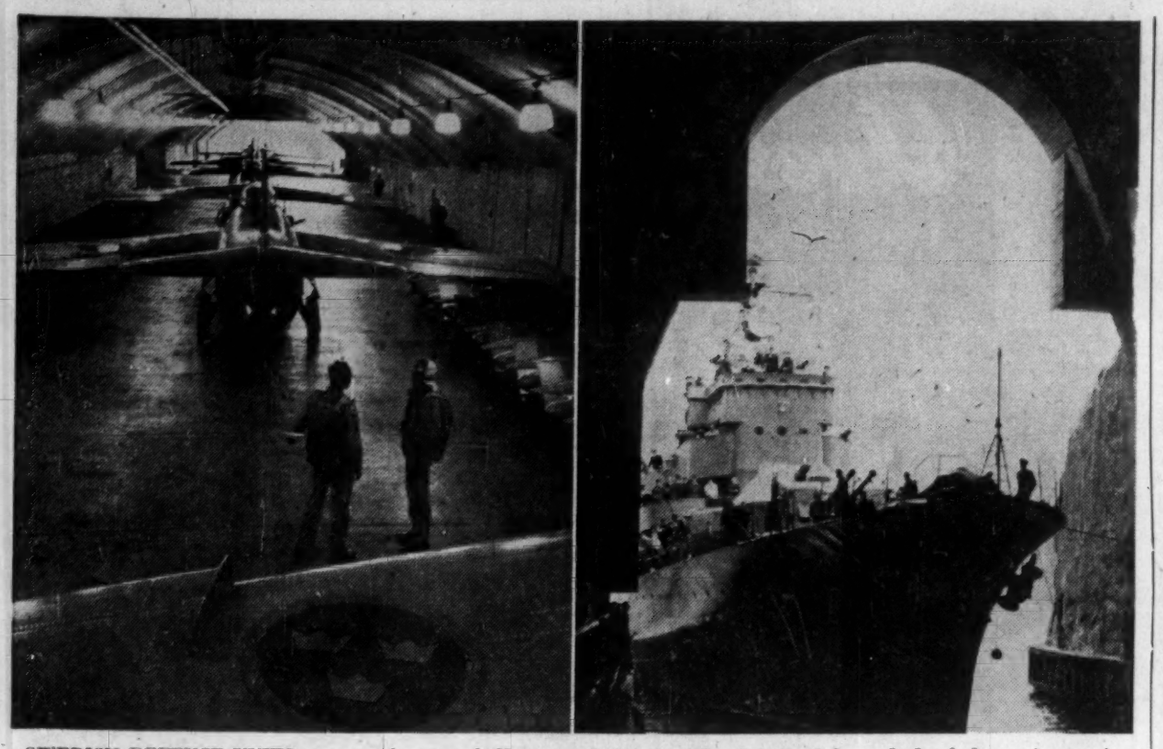
To most people, the different makes of chisels or pliers or plane irons in the hardware store all look much the same. Yet the difference between two tools of nearly identical appearance is often so great that while one will be useless after one or two jobs, the other will give years of satisfactory service.

A basic requirement in making good tools is fine steel. Without fine steel a tool cannot stand up to wear, no matter how ingenious its design. It is because of her exceptional steel that Sweden has become notable as a producer of good tools.

But fine steel alone does not make a good tool — it requires the craftsman's touch. To the men of the Berg factory at Eskilstuna, Sweden, the working of steel into superb tools has become an instinct, passed on with pride from generation to generation.

BERG TOOLS
are distributed in Canada by
SANDVIK
Canadian Limited

Toronto
MONTREAL
Vancouver



SWEDISH DEFENCE UNITS move underground. Here naval ships and Swedish jet fighters find safe haven in atomic-bombproof air raid shelters.

Sweden Goes Underground With Her Armed Forces

Defence-wise, Sweden has gone underground.

Although secrecy clothes a great part of the program, some of the projects are now generally known.

For instance, it is known that in the sides of the countless islands ringing the Baltic coastline there have been built ship caves, each of which is **capable of harboring the destroyers, submarines, and torpedo boats forming the core of the Royal Swedish Navy.**

The Tullinge Royal Swedish Air Force fighter station, which is responsible for the air defence of Stockholm, is one of the country's underground show pieces.

All the aircraft hangars are underground and house four fighters or fighter-bombers of the Lansen type in each hangar. The entrances are protected by heavy doors and there are specially staggered blast-bays to absorb the air blast from any hit directly outside the hangars.

The huge SAAB aircraft factory about 150 miles south of Stockholm is almost entirely underground and has its machinery and equipment protected by up to 200 feet of solid rock.

Where the requirement is for a multi-storied building to be constructed below ground, the general method used is to first blast out a large hole or cave and then build a reinforced concrete structure inside it.

The Stockholm city archives are a good example of this technique. They are housed in a five-storied, concrete structure hewn out of the solid rock and it is possible to walk around the outside of the building between the structure and the rock.

The Swedish government's stores of aquavit — the most popular national drink — are stored underground. Provision for the safekeeping of works of art in underground excavations in times of emergency have been made.

In Gothenburg there is a seven-story underground building which has been rented out — one floor as part of a hotel.

Liquid fuels are vital to Sweden in event of war. One answer to this problem is to convert and fill abandoned mines. A former feldspar mine near Stockholm is used for this purpose and with a capacity of 40 million gals. of fuel oil is rated as the world's largest single underground storage unit.

Another solution is to use eight-million-gallon thin metal tanks which are placed in holes blasted out of the rock and then encased in concrete.

Recent advances in this direction suggest cutting of a bottle-shaped hole dynamited out below the ground water level. This can be used for gasoline as water has a greater specific gravity.

Atomic Program

Industry, Government Combine

Government and industry in Sweden are successfully combining in an active atomic energy program.

Unique is a combined power and heat reactor now under construction in a Stockholm suburb.

To be known as R 3/Adam, the plant is designed for an estimated annual production of about 70 megawatts of heat for an adjacent dwelling comprising about 12,000 flats and about 15 mw. of electric power to supply the Stockholm power network.

The Asea Co. — one of Sweden's largest manufacturers of electrical equipment — is collaborating with **AB Atomenergi**, Sweden's semi-state-owned nuclear energy development company, and the State Power Board in designing the reactor.

The reactor is located a little more than 1.8 miles from the dwelling site to which the heat is to be distributed.

The pipe lines run in open culverts to a lake and thereafter in rock tunnels under the lake and adjacent rock formations to an accumulator plant designed for the variations during the 24-hour period.

At this plant is also located a special oil-driven peak load plant.

Another planned Adam heat-producing atomic reactor for Vasteras has been cancelled because of cost. It is thought that the Stockholm reactor may be built for around $27.5 million.

Up to now principal concern with atomic power is for producing energy for heating homes and industry.

Power development has been looked on as secondary. **But there is a strong likelihood that the emphasis recently has swung back primarily to production of power.**

The government authority in Sweden's atomic energy field is the Atomic Energy Delegation, consisting of five members whose office is purely consultative. It also supervises the application of the concession regulations under the Atomic Energy Act.

The Atomic Energy Committee has been mainly concerned in research activities and as a distributor of state grants.

It consists of 13 members of whom the chairman represents the government, six are scientists, two represent the defence authorities and four industry and technology.

AB Atomenergi, the nuclear energy development company, 4/7ths of whose shares are held by the state and 3/7ths by private industry, started its activities in 1947.

Its first experimental reactor, R.1, was put into operation in Stockholm in 1954 and a larger experimental unit, R.2, is now nearing completion at Studsvik, on the Baltic coast south of the capital. In 1955 work was commenced on power reactor prototypes.

Atomenergi's uranium works at Kvarntop was expanded into a capacity of 10 tons of uranium concentrates per annum in 1957.

Recently plans were approved for building another uranium extraction plant with a capacity of 120 tons at Mt. Billingen in southwest Sweden, using 900,000 tons of crude schist a year as raw material.

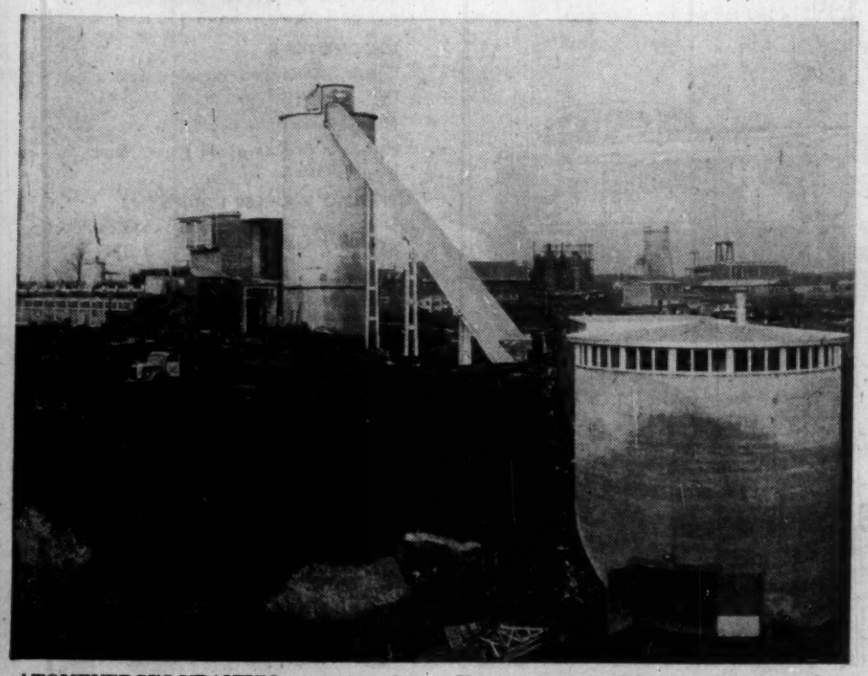
Most advanced in the atomic energy field among Sweden's private companies is Asea. Its atomic division employs a staff of some 90 persons, while several other divisions are also engaged in atomic developments.

The Bofors group of companies is also planning the manufacture of atomic reactors. The parent company, **AB Bofors**, will be responsible for metallurgical research including zirconium components and supplies of steel and other metals, while **Nohab** will be in charge of designing and manufacturing reactors and reactor accessories.

The **Johnson Group** of companies formed an atomic division in 1956, which also co-ordinates the activities of the subsidiaries **Karlstads Mekaniska Werkstad, Motala Vekstad** and **Avesta Jernverk.**

Some 30 engineering companies producing or planning to produce reactors and reactor components have formed a special branch group within the Federation of Swedish Mechanical Industries.

Prospecting for uranium, thorium and beryllium is being carried out by Atomenergi, partly in collaboration with the Swedish Geological Survey, and by some 20 private companies, among them the Johnson Group, the **Grangesberg Co.** and **Kohlswa Jernverks AB.**



ATOMENERGI'S URANIUM extraction plant at Kvarntorp, central Sweden, where uranium is mined from local schist deposits.

HOW ATLAS COPCO'S FIRM ROOTS CONTRIBUTE TO CANADA'S GROWTH

MAJOR COMPRESSED AIR SUPPLIER—In the last decade Atlas Copco Canada Ltd. has become identified with the growth and development of Canada's mining, construction and manufacturing industries through the wide use of its compressed air equipment. Adoption of the company's lightweight one-man rock drills with Sandvik "Coromant" drill steels has revolutionized mining operations. The construction industry, too, has found the Atlas Copco rock drilling method faster and more economical in tunnelling. The company has pioneered the "Air Bubbler" System—use of compressed air to prevent log ponds, lakes, harbours and dams from freezing over in winter and recently introduced a rotary screw compressor with significant advantages over the piston-type compressor. By its high quality products and standards of service, Atlas Copco has gained the confidence of business and industry across the land.

PARTNER IN CANADA'S PROGRESS—Atlas Copco has invested a substantial sum in production facilities, offices and warehouses from coast to coast. The company is proud to have been associated with such great engineering feats as the Alcan project in Kitimat, B.C., the Canso Causeway in Nova Scotia, the road and railway to Chibougamau, Quebec, the Ash River Tunnels in B.C. and the St. Lawrence Seaway. Atlas Copco brings to such projects the experience of its affiliates around the world and the pioneering techniques developed by the parent company's vast research. A future of great promise and potential faces Canada and Atlas Copco is pledged to earn participation in this future by contributing to its realization.

Atlas Copco

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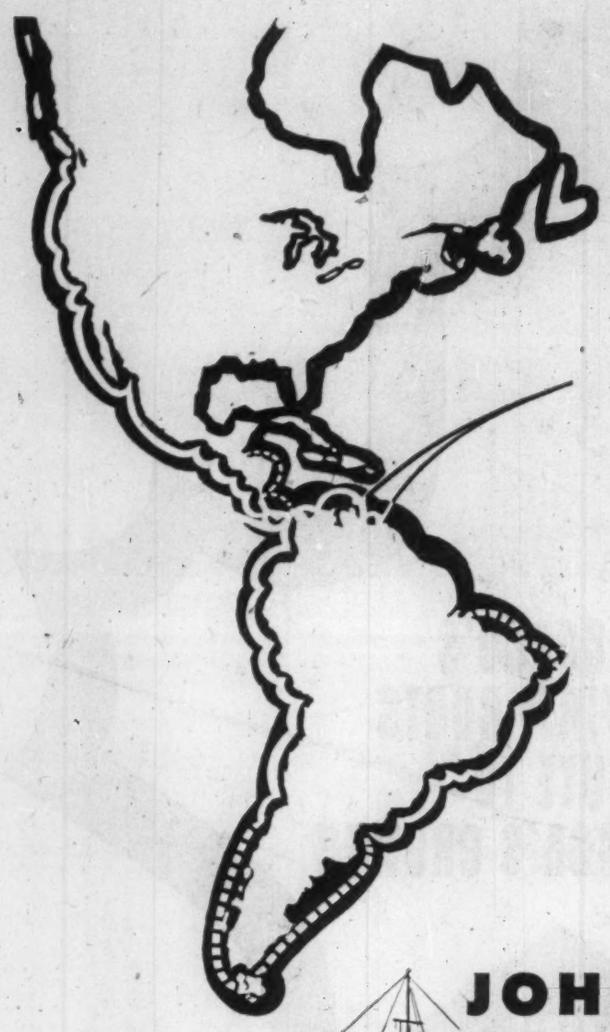

Fast regular freight and passenger service

The Johnson Line maintains fast regular freight and passenger services from Swedish, Baltic and north European ports to Latin America and the west coast of the United States and Canada and vice versa.
The fleet consists of 40 fast modern ships totalling about 300,000 dwt, most of which are also equipped with refrigeration and deep freeze cargo space.

JOHNSON LINE

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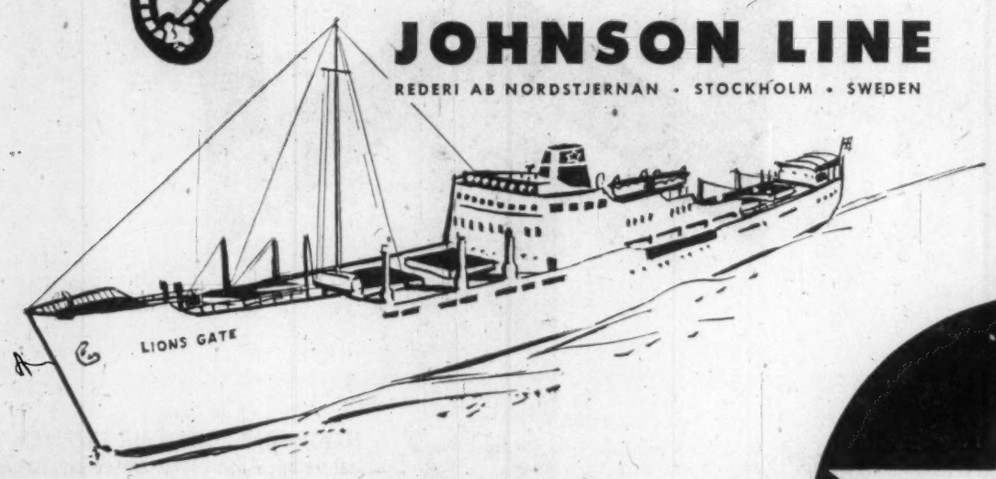

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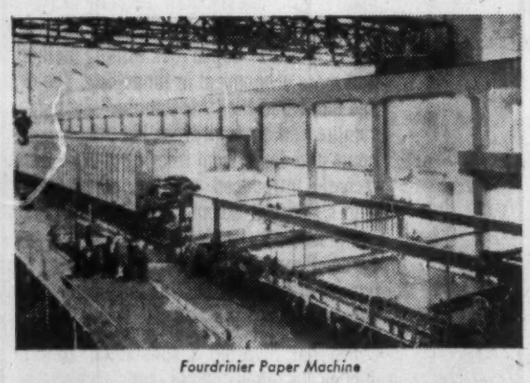
STAINLESS
Hot rolled sheet, plate, bar and angle.
Cold rolled sheet and strip — ground sheets.
Seamless and welded pipes and tubes.
Castings.
Welding electrodes.
Fabricated equipment.

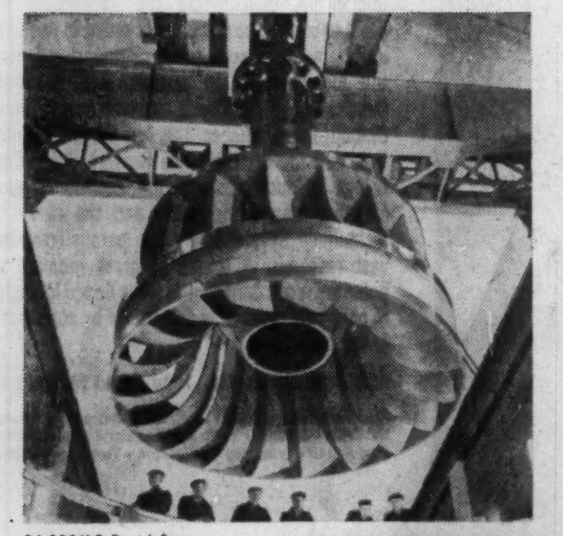
TITANIUM
Rolled sheets, bar, wire, and fabrication.

MISCELLANEOUS
Ferro alloys: ferro-chromium, ferro-molybdenum ferro-titanium, ferro-columbium
Hard metal tipped rock drill steel.
Dished heads.
Stainless valves and pipe fittings.
Perforated stainless sheets.

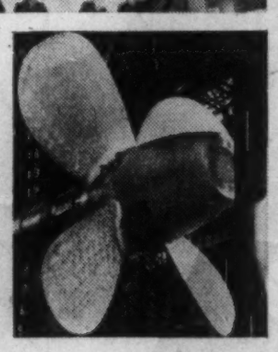
AVESTA JERNVERKS AKTIEBOLAG • AVESTA • SWEDEN



Fourdrinier Paper Machine



86,000 H.P. Francis Runner — Ready for Installation.



Controllable pitch propeller on 20,000 ton Ore Carrier just prior to launching.

KMW

PAPER DIVISION

KMW has supplied almost 200 paper machines to 27 different countries.

The Paper Division is completely equipped both from design engineering and production standpoints, to build and start up a complete paper mill. The range of accessory machines includes bleach plants, grinders, chippers and screens, digesters, and evaporators.

HYDRAULIC TURBINE DIVISION

Units designed and built by KMW and their licensees deliver 20 million horsepower in 50 countries throughout the world. Of this total, about 7 million horsepower is generated by Kaplan turbines, thereby earning for KMW the reputation as the world's most experienced in Kaplan units.

KMW have pioneered the successful application of stainless steel to runner construction. The exclusive use of stainless in Kaplan runners, the design of cast stainless Francis runners up to 70,000 pounds, and the technique of welded construction of large stainless Francis runners are numbered among KMW technical achievements.

KaMeWa PROPELLER DIVISION

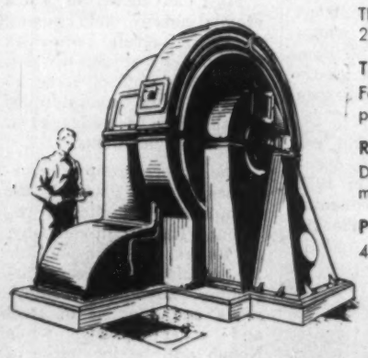
With over 400 installations of controllable pitch marine propellers ranging in size from 30 inches to 17½ feet, KMW is considered the world's most experienced builder of this equipment.

The complete propeller laboratory facilities offer an unparalleled opportunity for builders to obtain equipment designs tailored to suit individual installations.

AB KARLSTADS MEKANISKA WERKSTAD KARLSTAD SWEDEN

Swedish heavy industries

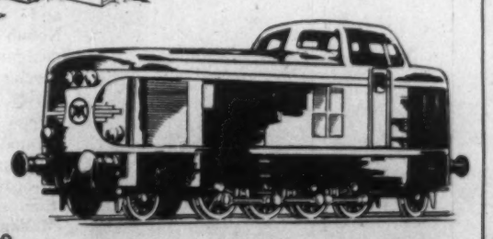
BRIDGES
The West Bridge — Stockholm length 2000 feet.

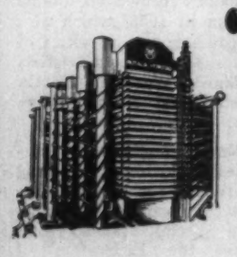


THERMO EQUIPMENT
Forced draft preheater for steam power plant.

RAILWAY
Diesel — pneumatic railway locomotive.

PRESSES
4000 ton wallboard press.





THE NEW MACHINE SHOP BUILDING COMPLETED IN 1955

PRODUCTION PROGRAM

STEELWORKS
Hedvy steel castings and forgings. Engine crankshafts.

PLATE SHOP
Heavy fabrications of all types.

STRUCTURAL
Fabrication and erection of bridge and building structures.

CRANES
Overhead cranes for power plants and steel plants — up to 350 tons.

LOCOMOTIVES
Electric, diesel and diesel-pneumatic railway locomotives.

PRESSES
Hydraulic presses of all types. Wall board presses.

THERMO PROCESS EQUIPMENT
Steam power plant and chemical accessory equipment.

TEXTILE
Viscose and textile machines.

SHEET STEEL PRODUCTS
Sheet metal press products of all types.

AKTIEBOLAGET MOTALA VERKSTAD

MOTALA • SWEDEN

NEW FOREST GENERATIONS in the seedling stage. So me 20 million plants a year are produced in the Uddeholm nurseries.

Uddeholm Empire

From Iron Ore to Pulp, Paper

(CONTINUED FROM P. 53)

e terprise started with iron and added steel products, forests represent a half of total sales volume.

Total pulp production last year amounted to 135,000 tons. Kraft paper output was 48,000 tons. Sawn timber production reached 24,000 standards.

Uddeholm forests cover some 750,000 acres and yield around 26.5 million cu. ft. a year, about half of the timber requirements of the company.

The company has an excellent reputation for top quality forest management and has now increased regrowth rate with larger timber despite bigger annual cuts.

Water power has become all-important in the Uddeholm operation. The company now owns some 30 hydro-electric power stations with a combined capacity of around 182,000 kw.

Total utilized energy in 1957 amounted to 975 million kw. hrs. Present power supply covers some 80% of requirements.

Work is currently under wa on a large hydroelectric project in the northern Klaralv valley. When completed, this station will supply 500 million kw. hrs. annually.

The combined production of iron and steel in 1957 was 96,400 tons. Uddeholm's wide range of steels processed either in company's mills or elsewhere find their way into countless steel applications.

At the Hagfors mill, tool steel, high-speed steel, whole and hollow drill steel, carbide-tipped rock-drill steels and cutting tools, road-planer blades, are just a few of the product ranges.

The cold-rolled and cold-drawn products of the Munkfors plant include steel for razor blade production.

At Storfors, tube production is all-important.

Company's ores come from several mines in Varmland which yield a very fine grade ore containing only very small amounts of phosphorus and sulphur.

But the company has also gone outside Varmland for its ores. It now has a controlling interest in the Tuolluvaara mine in Lapland.

Business has become increasingly competitive, particularly in the steel division, both from Swedish concerns and foreign producers.

At the same time wages and other costs have kept rising but competition has kept prices down.

To maintain its important position in all aspects of the steel market, Uddeholm has had a substantial plant improvement and expansion program under way for a couple of years now.

The new combination rolling mill at the Hagfors plant has been completed and installation of wire and small section plants is also completed. The oxygen factory has been doubled.

At the Munkfors plant a new gasworks for supplying gas for the controlled-atmosphere annealing operation was completed.

Cream Separator

It Revolutionized Dairying

The successful application of centrifugal force in separating cream from milk has built up one of the biggest industrial concerns in Sweden.

Formed in 1883 to launch an invention that was to revolutionize dairying **AB Separator** has spread its marketing scope and range of products until today it has an **annual turnover approaching $150 million on a market covering most of the countries of the world.**

On the occasion of its 75th anniversary, AB Separator, parent company of the Alfa Laval/de Laval Group of companies, has organized and produced an exhibition at Skansen, Stockholm's famous open-air museum.

The exhibition commemorates the jubilee and displays to the public the wide range of products produced by the organization.

The development of the Separator group of companies was directed from the Stockholm head-office. Many foreign subsidiaries were formed, and one Swedish factory after another was incorporated within the company.

Cream separators are still one of the Group's most important products. Through the years it has **supplied more than 11 million farm separators and today covers more than half the needs of the world market.**

Although in the more industrialized countries the trend is toward delivery of whole milk to the dairies, farmers still need separators for their own households, and in less highly developed countries the demand for farm separators is steadily rising.

Separator now supplies virtually all the different machines and equipment used in processing of milk right from milking-machines to large-scale dairying equipment.

After separators, the biggest item is heat exchangers. These are used in various industrial processes for heat treatment, pasteurization and cooling.

Equipment for purifying fuel oil and lubricating oil in diesel ships is another important company product.

AB Separator through its De Laval group of companies has been serving the Canadian market for over 60 years. In that period it supplied more cream separators to Canadian farms than all other brands combined.

The Canadian subsidiary does not manufacture the complete cream separator but brings it in from Sweden or one of the associated companies in a nearby country.

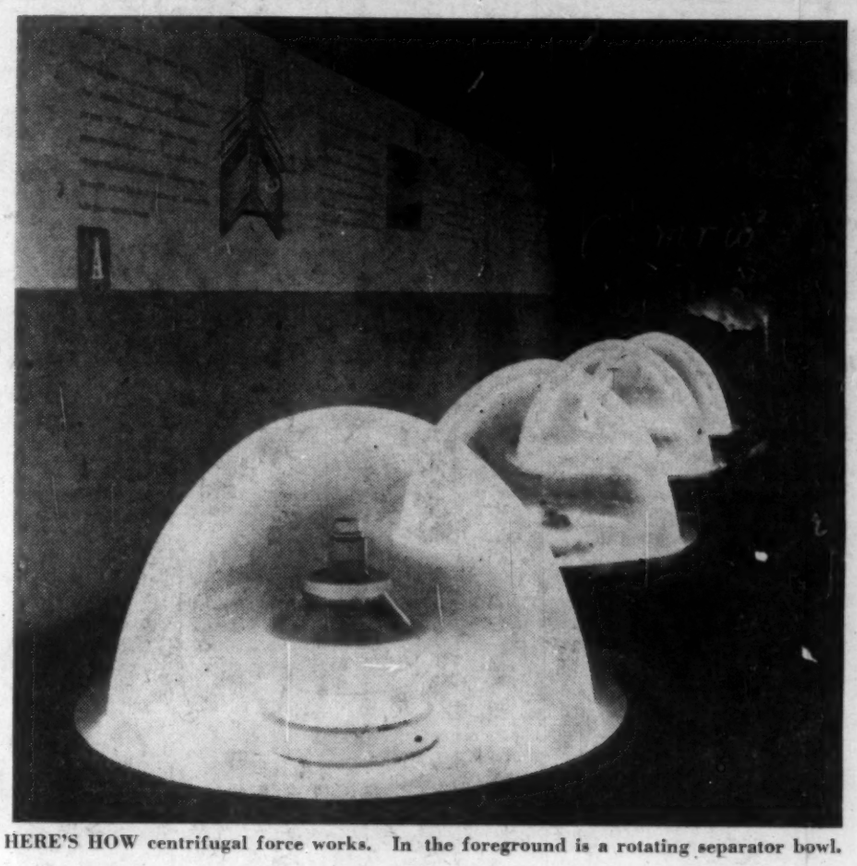
In 1957, for instance, 4,000 cream separators were imported from the parent organization in Sweden for a value of some $390,000.

The Canadian subsidiary operates a large modern plant at Peterborough, Ont. and offices and warehouses in all the principal cities of Canada.

Established first in 1893 expansion has been steady in this country.

Today some 500 employees are engaged with the firm.

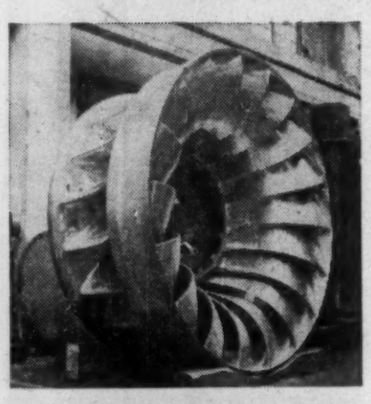
The Canadian firm manufactures a range of agricultural and industrial products and at the same time distributes a wide group of other products brought in from other associated companies in the AB Separator group.



HERE'S HOW centrifugal force works. In the foreground is a rotating separator bowl.

KMW HYDRAULIC TURBINES

NOW — BUILT IN CANADA



A STAINLESS STEEL

36,000 lb. one piece Francis runner supplied in 1957 to a northern Quebec paper company.

A NEW TECHNIQUE

for precise control of material and hydraulic contour as well as extended life — all welded stainless steel runners.

The following in Canada with Stainless Runners

In Operation:

BEARSPAW — 25,000 H.P. KAPLAN
WILLSON — 82,000 H.P. FRANCIS

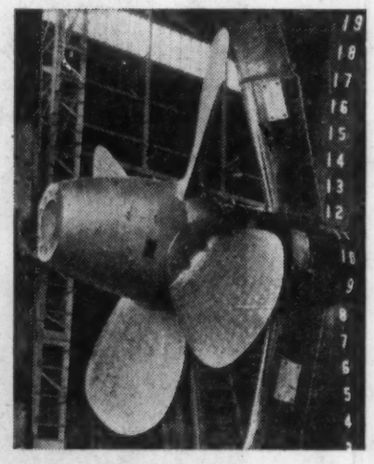
In Process Of Erection:

WHITEHORSE — TWO 7,500 H.P. KAPLAN

Under Construction:

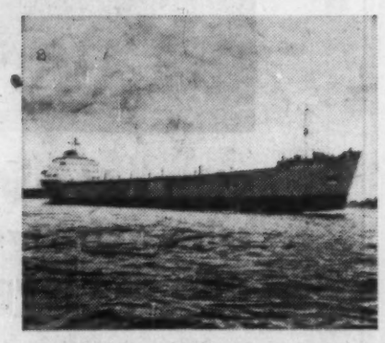
MENIHEK — 13,500 H.P. KAPLAN
SISSIBOO — 8,000 H.P. FRANCIS
WEYMOUTH — 12,000 H.P. FRANCIS

KaMeWa *CONTROLLABLE PITCH MARINE PROPELLERS*



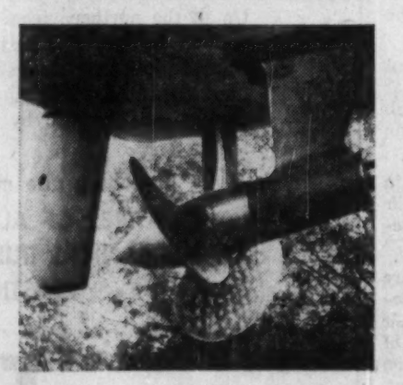
M/S ALEXANDER T. WOOD

14½ ft. stainless steel ... 6,000 HP., 160 RPM KaMeWa propeller installed on 20,000 ton ore carrier.



M/S AVERY C. ADAMS

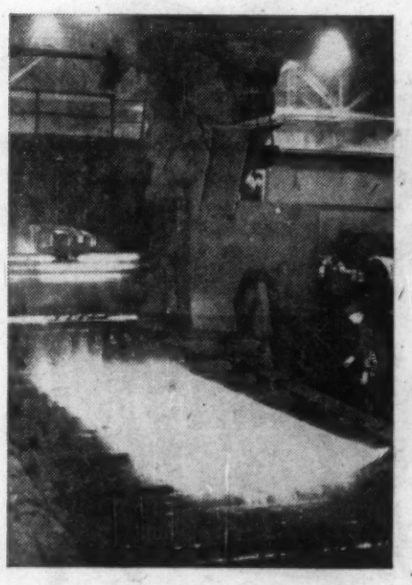
A sister ore carrier for ocean and seaway service with 17½ ft., 6,500 H.P., 125 RPM stainless KaMeWa propeller.



M/S FORT STEELE

Special Twin Piston KaMeWa "Navy" Propeller 49½" diameter, 2,500 H.P. at 950 RPM for R.C.M.P. twin screw patrol cruiser.

Avesta STAINLESS STEELS



AVESTA MATERIALS offer the following advantages:

Sheets and Plates in large sizes:

Width — max. 78"

Length — max. 240"

Better surface finish

Lower carbon contents for easier weldability and better corrosion resistance.

Access to extensive laboratories with 30 years know how.

Starting in November this year, Johnsons will warehouse in Montreal the following AVESTA products:

Hot and cold rolled sheet and plate

Bar and angle

Welding electrodes

DISTRIBUTOR:

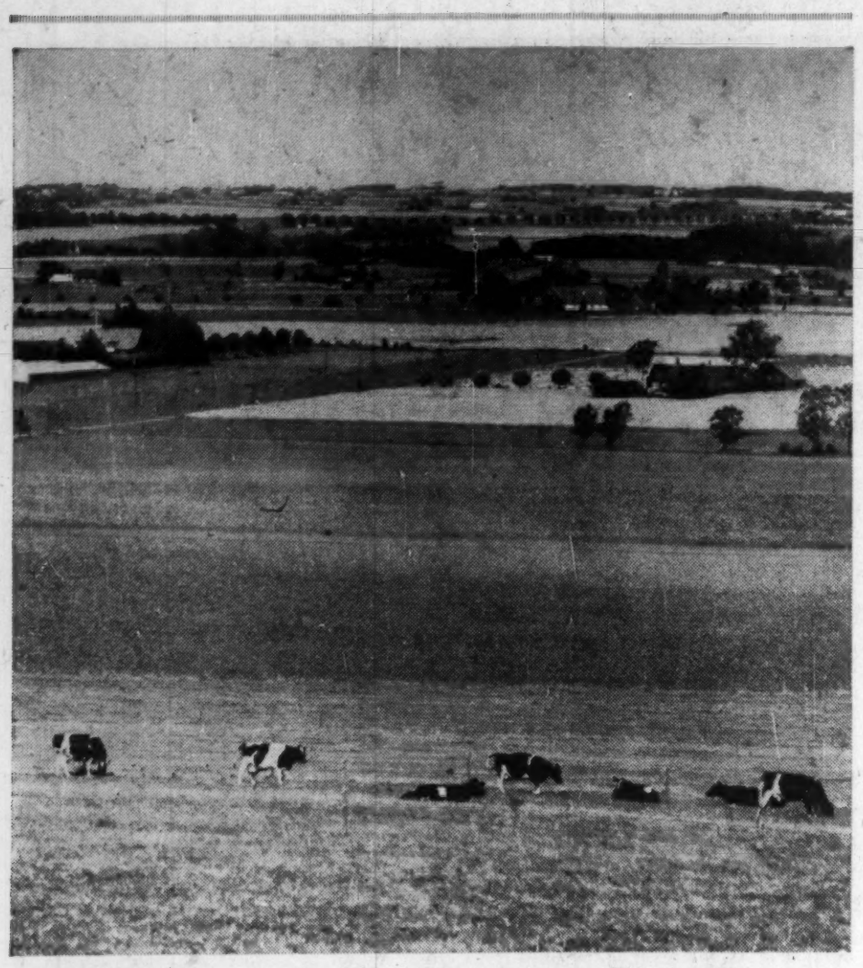
WESTERN ALLOYS & METALS LTD.
22 East 2nd Ave. — Vancouver, B.C.
FOR B. C., ALBERTA and SASKATCHEWAN

A. JOHNSON & CO., (CANADA) LTD.

607 Shell Tower Building — Montreal 2, Quebec

RELATIVE IMPORTANCE OF CHIEF AGRICULTURAL PRODUCTS

Crop Products	%	Animal Products	%
Bread grains	11.5	Milk and milk products	39.2
Coarse grains	1.5	Slaughter animals	28.8
Potatoes, sugar beets	8.2	Eggs and poultry	6.0
Oil and fibre plants	3.6	Other animal products	0.1
Vegetables and tobacco	1.1		
	25.9		74.1



ANIMAL PRODUCE accounts for 75% of the farm income. This peaceful scene is in the main agricultural area — southern Sweden.

Agriculture

Unique Pricing System

(CONTINUED FROM P. 52)

pork to both England and Germany.

Although Sweden used to import a sizeable quantity of hard wheat for blending purposes this import demand has been pared down sharply. **In the prewar years Canada was one of the important hard wheat suppliers to Sweden.**

An important Canadian export in the first half of this year has been fresh apples. Some 148,679 bu. were exported from British Columbia representing $409,090.

This cannot be looked on as an important new market outlet for Canadian apples, however, since it follows last year's serious crop failures in northern and central European apples.

The number of farms is dropping in Sweden as smaller farms are merged into larger, more economical operating units. **The government has played an important part in this move by offering loans and subsidies** for merging smaller unprofitable units into larger land-holdings.

Although considerably behind U. S. and Canadian standards in farm mechanization, there has been a strong trend in this direction in recent years partly brought about by the acute farm labor problem.

The shift of workers from the farm reached a dangerous level a couple of years ago and the government has been taking various steps to halt it.

By far the greatest proportion of agriculture output comes from the southern part of the country, particularly the province of Skane. Actually crop yields in this area are among the highest in the world.

One of the most recent developments has been the increasing cultivation of vegetables—particularly potatoes—in the northern part of the country.

This has been largely possible because of results of research in government laboratories to produce top quality seed varieties capable of withstanding adverse Swedish growing conditions.

Of the total crops about 25% goes for direct consumption in the form of bread grain, sugar from sugarbeet, etc.

The remaining 75% is used to feed livestock and thus indirectly produces milk, meat, eggs, etc. Close to 75% of all the arable and grazing land is used for production of fodder.

An important shift in cultivation of bread grains — wheat and rye — has taken place in recent years.

As late as the beginning of the century five times as many acres were devoted to rye as to wheat. **By the beginning of World War II, however, the relationship was completely reversed,** with the number of acres in wheat nearly double the rye acreage. This trend is still in force.

It can be largely credited to plant improvement, through which it has been possible to develop high-yield, relatively hardy strains of wheat.

It has been possible to extend wheat growing to the far north, where formerly it could not survive.

Oats are the most popular feed grains occupying a greater cultivated area than the bread grains.

Sugar beets are grown only in the south and to a sufficient extent to supply the entire domestic demand for sugar. During the war the raising of crops yielding vegetable oils (particularly rape) was stimulated.

The yield is still substantial and has decreased the need for importing vegetable oils.

Agricultural crops are sold principally by producer cooperative associations, which are federated into a central organization.

Today practically every farmer is a member of one or more of the marketing associations. The Swedish Dairies Association, for instance, handles about 98% of all milk and butter and 95% of all cheese which appears on the market.

The farmers control about 70% of the market for meat animals through the Swedish Farmers' Meat Marketing Association.

Many of the small farms in Sweden cannot provide their owners with an adequate return.

Over 100,000 of these are part-time farms, which provide the proprietors and their families with a source of work and income in addition to other, and more important, employment.

A large part of these farmers make their living principally by work in the forests.

Most of the part-time farms have some woodland, yielding fuel and lumber for the home and permitting some cutting for sale.

Looking into Sweden

It's easy for a Canadian motoring through parts of central Sweden to forget that he's not back home — he might well be traveling in Ontario's Muskoka lakes district or Quebec's Laurentian area.

There's the same rugged, heavily wooded countryside with pine and spruce predominating; the same pink granite outcrops; the dozens of blue lakes.

But the Swedes have managed to wrestle more farmland from nature's tough-fisted grip, mainly because they have been there longer.

Actually over 50% of all the farms in Sweden are under 25 acres in extent. How they can provide a livelihood for their owners must always remain a mystery for North American visitors.

Part of the answer is a unique farm commodity pricing system devised by the farmer's Central Organization and the Socialist-Democrat government. Prices for the farmer's products are set so as to assure him an annual income roughly on a par with that of an average industrial worker.

The farms in central Sweden are often dwarfed by great stretches of solid forest; well-groomed forest with all the underbrush cleared out and formerly logged areas reforested. We traveled through such a forest one night, breaking in and out of solid fog-banks, for about one hour and a half. We were told later that it all belonged to one firm.

A half dozen large companies own most of the forests in central Sweden. They were granted these lands by the Swedish kings back in the 18th and 19th centuries to provide the charcoal and timber needs of the many iron-workings in this section of the country. It was a natural step later for all these same companies to branch out into pulp and paper making.

These same owners are doing a tremendous job of forest management today. Their work has been a model for forest management projects all over the world. Despite a total annual timber cut in the country of around 1.5 billion cu. ft., new timber potential is coming along at an estimated rate of around 2.2 billion cu. ft. a year.

Well over half of the farm houses in Sweden are painted "Falun" red. The color is named after Sweden's oldest mine. The iron oxide that gives the paint its characteristic red tone is a by-product of Stora Kopparberg's iron mine at Falun, a mine that was already old when Columbus discovered America.

Unlike other industrialized countries where there is heavy concentration of plants in several major cities, Sweden's plants are scattered through the countryside.

Many of the factories have been operating at these original sites since they were founded back in the 18th and 19th centuries. Although practically everything has changed since then, the companies have preferred to remain there and adjust as best they could to changing conditions.

A surprising number have "adjusted" so well they have become highly successful, world-wide organizations. Though they have added many new plants and subsidiary operations through the years, they have retained their head office and original plant workings in the little towns of their origin.

Take the little town of Uddeholm, for instance — 1,100 inhabitants. This is the home of one of those unique company integrations found only in Sweden — iron mining, steel, machinery, lumber, pulp and paper, chemicals, power, shipping. Its sales run around $85-$90 million a year; its products go to practically all the countries of the world.

Yet its unpretentious head office is maintained in this little, remote inland town. It was here — company officials will proudly tell you — that Johan Carlstrom built a blast furnace and a hammer back in 1668 to get Uddeholm's first iron mine under way.

Despite the keen, aggressive business sense which has carried them to the top ranks among world traders, the average Swedish businessman holds history and tradition dearly. In a remarkable number of cases third-generation sons are carrying on direction of Sweden's major enterprises. More and more, though, the heavy capital costs of postwar expansion and the tremendous succession duty liabilities are forcing release of family interests' stock to the general public.

In the board-rooms of most of these firms the portraits of bewhiskered founders look down from heavy frames. They are pointed out proudly in connection with outstanding accomplishments in their field:

Gorannson for first successful application of the Bessemer steel-making process;

Gustaf de Laval for putting centrifugal force to work in the cream separator;

Dr. Sven Winquist for the invention of the self-aligning ball-bearing;

Oscar Kjellberg, inventor of the coated electrode for welding — and so it goes.

Almost every major Swedish firm has one or two of these important inventions to its credit somewhere in its background. In many instances the firms were established, in the first place, on the basis of these inventions.

Ekströms

EXPERIENCED SPECIALISTS IN PULP AND PAPER MILL EQUIPMENT AND IN INDUSTRIAL HEAT RECOVERY.

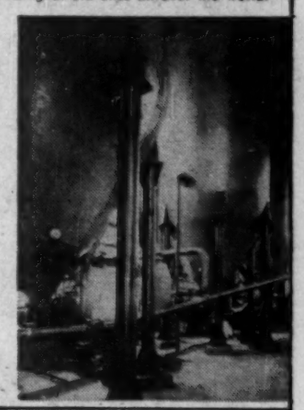
undertake planning and designing of new mills and modernizing of old ones all over the world.

• Ekströms have invented and patented such equipment as:

Bird Jonsson Screens
Bird Vibrator Screens
Bird Consistency Regulators
Canadian Licensees: Canadian Ingersoll-Rand Co. Ltd., Montreal, Que.

Svensson Chip Filling System for Pulp Digesters
Sold in Canada by: Rosenblad Corporation of Canada Ltd., Montreal, Que.

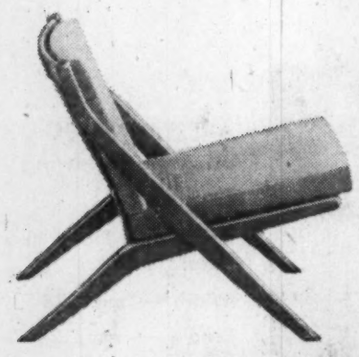
Ekström Digester Circulation Plants
Ekström Gilled Tube Economisers
Soda Recovery Systems
Broman-Ekström Steel Shot Cleaning System
Sold in Canada by: Sandvik Canadian Ltd., Montreal, Que.



The new digester department at the Frantschach kraft mill in Austria (as well as the washing department) designed and installed by EKSTROMS.

EKSTROMS

AB A. EKSTRÖMS MASKINAFFÄR
STOCKHOLM SWEDEN



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NEWEST DUX CHAIR FROM SWEDEN! Here is new artistry in comfort by designer Folke Ohlsson... sculptured wood, foam-cushioned with the rich texture and stunning color of imported fabrics! It says "serenity" when you look at it—when you sit in it. See for yourself why DUX in your home expresses best how you live!

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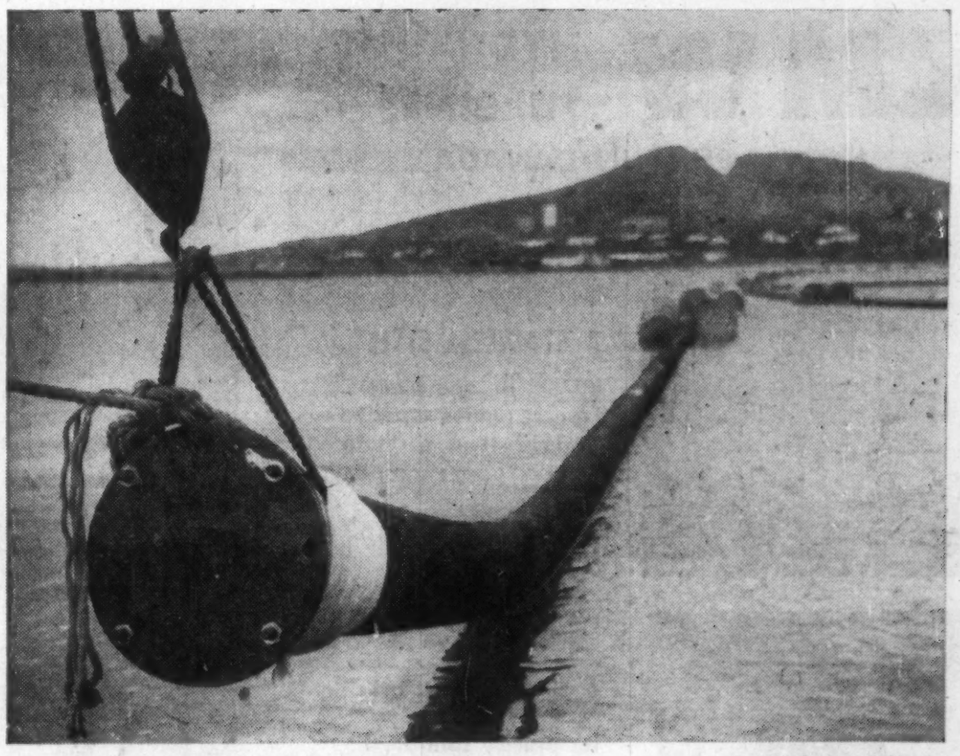

One of the four 1,770 ft. pipes is unrolled along the surface of Lake Luossajärvi, Kiruna, before being laid out on the lake floor

Giant rubber pipes solve water problems of whole cities and towns

Up in the northern iron-ore town of Kiruna, one of Sweden's largest mining companies wanted pipes that could stand up to vibrations from dynamite blasting. Trelleborgs Gummifabriks AB complied by building four pipes, each 1,770 feet long. Two of them bring in fresh water (inner diameter 8 in. normal operating pressure 128 lb/sq. in.) and the other two are for drainage (normal working pressure 35.6 lb/sq. in. but tested for 114 lb/sq. in.).

Trelleborg also manufactures:
TIRES OF ALL KINDS
MECHANICAL RUBBER GOODS
PLASTICS

The brand will serve you with quality rubber goods

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TRELLEBORGS GUMMIFABRIKS AKTIEBOLAG • TRELLEBORG • SWEDEN

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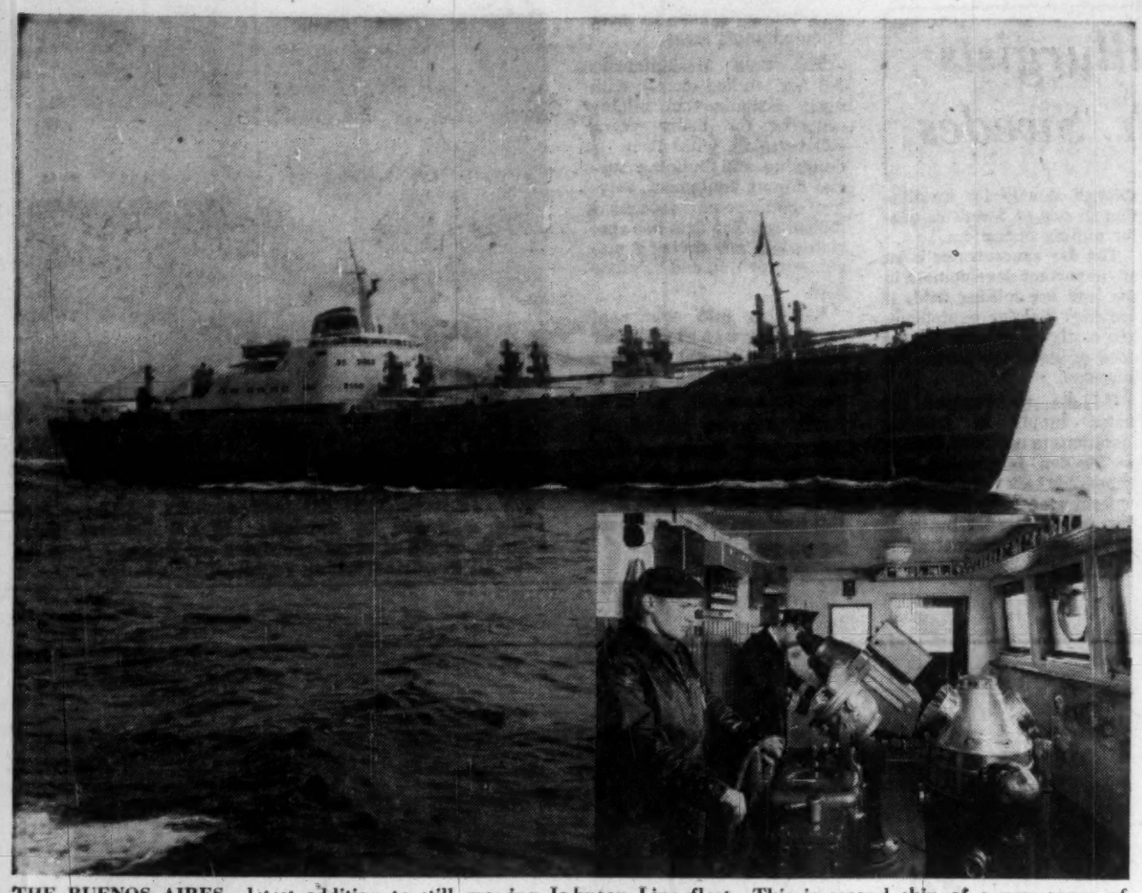

THE BUENOS AIRES—latest addition to still growing Johnson Line fleet. This is second ship of a new series of six fast, modern cargo liners.

Johnson Group

Humble Beginning to Renown

The Johnson Group shipping enterprise—already one of the largest in Sweden — is adding another 100,000 tons deadweight capacity to its fleet.

Of six new motor ships ordered in 1956 for trade on the east coast of South America, two have already been launched — the Rio De Janeiro and the Buenos Aires.

The latest additions to the Johnson fleet are express cargo liners, each of about 9,000 tons d.w. Two new oil tankers, each of 25,000 tons d.w. will also be added to the company's growing tanker fleet.

Today the Johnson line owns 40 motor ships totaling about 300,000 tons d.w. A few years ago, eight ships were built for the North Pacific service. With their 19½-knot speed fully loaded they are the fastest cargo carriers between American ports and Scandinavia. Today the fleet operates a regular service to North and South American Pacific ports via the Panama Canal.

The switch to diesel ships in the 1920's led to a growing interest in oil and in 1928 Mr. Axelson Johnson — son of the founder — decided to build the first refinery in Sweden, at Nynasham.

This first refinery was followed by one in Malmo and another one in Gothenburg. But gradually the Johnson Group came to comprise many other enterprises.

Today it is recognized as one of the biggest, most widely diversified industrial organizations in Sweden. It is a remarkable story of how from a humble beginning the broad vision and driving initiative of first the father, later the son, came to build up this huge and still growing empire.

Today the Johnson group directly or indirectly has interest in iron mining, manufacturing of a broad range of heavy machinery, production of steel castings and forgings for many engineering requirements, making of heavy plate and rotogravure printing presses, manufacture of stainless steel equipment.

Through establishment of the Institute for Plant Research & Cold Storage at Nyasham the Group is sponsoring some of the most important research work being done anywhere today on growing of disease-free fruit and potatoes.

Great success has been encountered particularly in the seed potato research work. By the end of this year some 1,000 tons of these virus-free potatoes will have been exported to Brazil and other South American countries.

This business is expected to expand rapidly over the next few years.

The Institute is also conducting a number of scientific studies aboard the Johnson line vessels dealing with various technical aspects of refrigerated shipping for transport of highly perishable commodities such as bananas, pineapples, oranges, melons.

But here is a brief rundown on some of the Johnson group activities:

Lindholmen Shipyards in Gothenburg.

AB Karlstads Mekaniska Werkstad at Karlstad. Manufactures paper mill machinery, water turbines, KaMeWa controllable pitch marine propellers, etc.

AB Motala Verkstad, steel castings and forgings for shipbuilding and heavy machinery, diesel-pneumatic and electric locomotives, hydraulic presses.

AB Hedemora Verkstaded, heavy plate work and rotogravure printing presses for multicolor printing.

J. R. Andersson & Co., Stockholm, stainless steel equipment for hospitals, vessels and special equipment of stainless steel for food industries and similar purposes.

Already in 1883 the founder—Axel Johnson, Sr., became one of the part-owners of **Avesta Jernverks AB**, and in the beginning of the 20th century he acquired the controlling interests in these iron works. Since 1924 it has been one of the foremost producers of stainless steel, having established special manufacturing plants for stainless and acid-resisting steel products in several places both in Europe and in South America.

Rock Drill Bits

One of Our Big Imports

Last year Swedish manufacturers exported to Canada $800,000 worth of rock drill bits—one of the biggest export items to this country.

Rock drills and parts added another $370,000. Tungsten carbide inserts rounded out the drilling export shipments representing an additional $485,000.

Most of the bits coming to this country from Sweden are tungsten carbide variety, for which Swedish makers have become famous all over the world.

These extremely hard, biting bits are fitted into the drill steel in several ways and are the most efficient and economical yet discovered for hard rock mining conditions encountered so widely in Canada.

Swedish steel makers were the first to commercially develop the tungsten carbide bit back around 1945.

It wasn't until some four or five years later, however, that it started to create a stir in this country. Since that time it has completely revolutionized Canadian mining methods.

Sandvik Steel and **Uddeholm** are just two of the big names in the Swedish drill steel and carbide bit field.

Sandvik Steel opened its first Canadian plant to install tungsten carbide bits on steel drills in Montreal in 1952. All of company's drilling equipment sales is handled through **Atlas Copco Canadian** in this country.

For some years the Swedish firms had the Canadian rock drill bit market pretty well to themselves. **Recently, however, several Canadian firms have moved into the picture.**

Sandvik also manufactures Cormorant tungsten carbide tipped tools which are now used extensively in all engineering industries. Company's tungsten carbide is made at a modern plant at Stockholm.

Canada Bought Guns Worth $1 Million

The biggest single Swedish export item to Canada last year was sporting guns—$1 million of them.

Husqvarna Vapen Fabriks —one of the oldest companies in Sweden — supplied 3,600 rifles for the Canadian market in 1957.

Husqvarna has become a household word in Sweden. It is one of the largest Swedish manufacturers of consumer goods. Company officials make the claim that there isn't a home in the country that hasn't at least one Husqvarna product in it.

They are now trying to push that record into their spreading export field.

The company started turning out guns in 1689. They were smooth-bore musket barrels and 35 employees turned out 240 a week. Today, after nearly 270 years of continuous operations, the firm employs 6,000 skilled craftsmen, does an annual business of around $36 million.

Husqvarna didn't dream of getting into export until after the turn of the century and didn't crack the U. S. and Canadian market until 1944.

Today it is the biggest exporter of sporting rifles to U. S. A wide range of rifles and shotguns are supplied in all styles to fit the field gunner, the skeet and trap shooter. Company has established a reputation for high quality workmanship.

But actually its other products—and they are many—have come to represent a much larger part of over-all business. The company now makes sewing-machines, bicycles, motorcycles, lawnmowers, washing machines, cooking ranges, domestic boilers, meat-grinders, flat-irons and all kinds of kitchenware.

Here are just a few of Husqvarna's claim to distinction:

- **It operates one of the biggest foundries** in northern Europe today.
- **Is one of the largest manufacturers** of cast-iron products in northern Europe.
- **One of the biggest makers of automatic** sewing machines in the world.
- **The biggest maker of kitchen wood stoves in Sweden;** is also the biggest name in central heating equipment furnaces.
- **Its motorcycles represent about 60%** of all the light models on the Swedish roads today.
- **At its Norrahammar subsidiary,** the company operates the first electronically controlled sand-mixing system of its type in Europe.
- **Developed modern powder metallurgy process with such success** that its know-how is being sought in the U. S., Great Britain, Germany, France, and Italy for the manufacture among other things of automobiles and aeroplane parts.

With its subsidiaries at Norrahammar and Aminne, the combined operation employs 6,000 workers. The town of Husqvarna — some 13,000 population — revolves around the plant. Most of the people are closely connected and dependent on plant operations.

The company itself has become a big factor in the town's housing facilities, owning some 760 houses or flats. It also makes loans to workers to enable them to buy their own homes.

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IT ALL BEGAN WITH A BEACON

The Dalén Commemorative Medal issued by the Swedish Academy of Science in 1945. The Latin inscription reads: "When the day vanishes, he bids darkness to light the beacons."

IN SWEDEN . . .

"it all began more than fifty years ago with the first AGA-equipped lighthouse which could be left unattended for long periods. The light source was dissolved acetylene; and today, after five decades of industrial gas development, AGA has over 100 gas plants in 24 countries. Oxygen and acetylene are the most widely used of these gases—together they are used for cutting and welding, often with AGA - made equipment. AGA-designed respiratory devices are used for the administration of oxygen in modern hospitals where AGA incubators, the epoch-making heart-lung machine and other anaesthetic apparatus also are found. The grinding and polishing of beacon lenses and reflectors led to the manufacture of searchlights, periscopes, range - finders and bombsights, and indirectly to railway and traffic signals. More recently AGA has been manufacturing CinemaScope lenses and in 1956, the first motion pictures were made with outstanding AGAscope distortion-free anamorphic camera lens.

Radio beacons are used as a complement to the standard lighthouse equipment, and AGA's electronic division has developed a wide range of electronic navigational devices for both sea and air traffic. And of course there are the elegant AGA radio and television receivers for home use. The combination of electronic and optical facilities under one roof made AGA's entry into the soundfilm industry a natural step. AGA projectors and soundfilm equipment for both studio and theatre are among the very best. The AGA concern has undoubtedly come a long way from lighthouse devices although these are still one of the leading sales items. No mention has yet been made, however, of such unique AGA products as the fuel-saving AGA cooker, automatically welded steel radiators, the talking radio beacon, the AGAVOX dictating machine, the AGA Geodimeter . . . We had better stop now because AGA's widespread operations are virtually endless, and besides there is certain to be at least one new device developed by AGA restless engineers long before you read this!

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STOCKHOLM—LIDINGÖ, Sweden

IN CANADA,
AGA which began its operations by producing the ever popular free standing radiator and panel radiator has in the usual AGA manner developed some modern and increasingly popular radiators. Among them the baseboard and the planello radiators are outstanding examples of our fine products combining both radiation and convection in a stylish yet durable design. For industrial applications AGA has developed immersion coils for plating and processing tanks.

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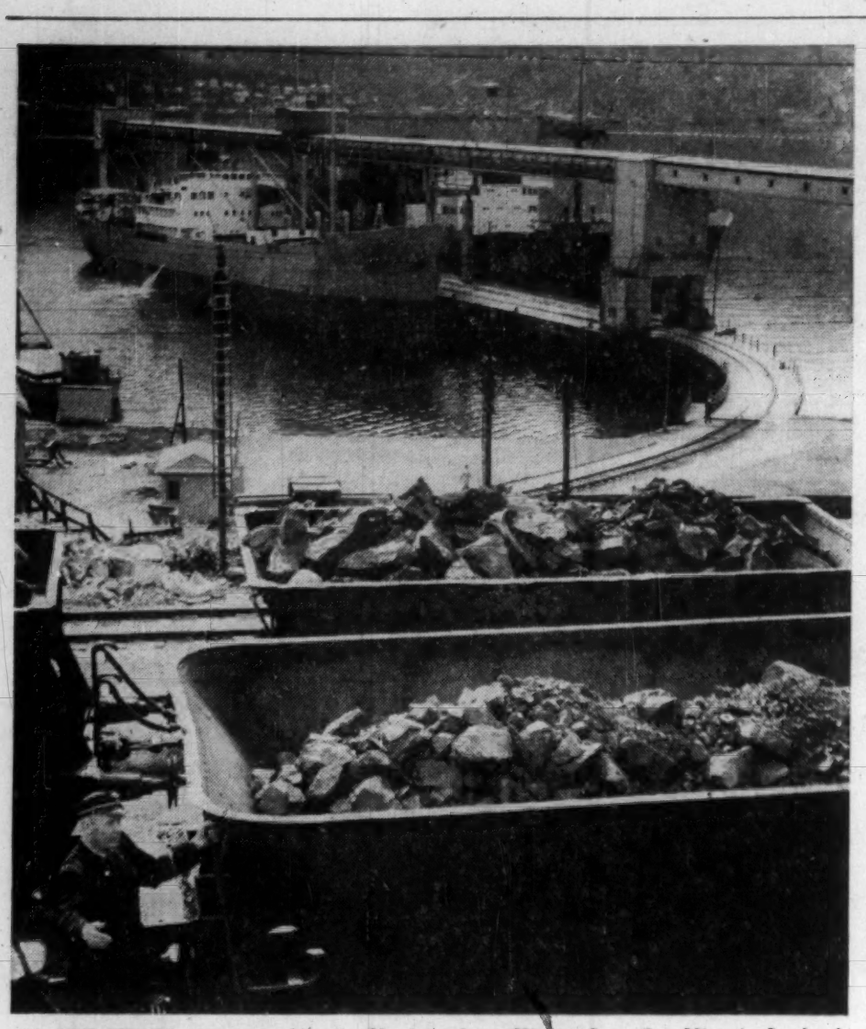

AN ORE TRAIN arrives in Narvik, Norway, from Kiruna Iron Ore Mine in Lapland.

N.S. Pulp Mill?

Will Depend on Tests

Stora Kopparberg Co.'s great Falun mine in south central Sweden has two great claims to fame:

- **It is probably the oldest** mine in the world.
- **From a by-product of iron mining** comes a pigment that produces the famous "Falun Red" with which almost half the houses of rural Sweden are painted.

Looking down into the Great Pit at Falun today—a hole 1,250 ft. long by 825 ft. wide and 310 ft. deep—is like looking back down the course of Swedish industrial history. For the mine was operating at least as early as the 13th century.

It was mined first for copper, later iron. Now the chief product is iron pyrites used mainly in sulphuric acid production. Some zinc and lead is also recovered.

The methods of mining at the Great Pit through the centuries pretty well trace the unfolding development of new mining techniques throughout the years.

But for Stora Kopparberg —one of the most dynamic of Sweden's rather amazing group of large, diversified organizations—the old Falun mine is but a cherished part of history and a small and diminishing part of a huge, expanding operation.

Stora Kopparberg's enterprise today spreads over a large part of Sweden and covers iron mining, steel operations, lumber, pulp and paper, chemicals and power production. It has been a constantly expanding, dramatic story.

A bright new chapter may soon be unfolding with company plans for establishment of first Canadian pulp operation in Nova Scotia.

This month, a shipload of pulpwood will be leaving Nova Scotia for the company's big pulp mill at Skutskar on the Baltic coast of Sweden. The Nova Scotia wood will be processed into a premium grade sulphite pulp by a new process developed and tried out by the company for the first time this summer.

Stora Kopparberg will then ship samples of the pulp to customers in England, Europe and U. S. for evaluation.

On the results will depend company's plans to start construction of a 350-ton daily pulp plant in Nova Scotia.

The Nova Scotia legislature this summer approved the company's forest management license covering a 1.2-million-acre stretch in the seven eastern counties of the province.

Company officials are confident the tests with the Canadian wood will prove successful. Plans are to produce the new premium grade pulp then in the new Nova Scotia mill. A sodium cooking process will be used together with a recently developed chemical recovery process.

This project would mark Stora Kopparberg's first move into actual pulp and paper production outside Sweden.

Oddly enough the forestry and wood products division of the company also owes its origin to the Falun mine.

Because of the great demand for mine timber and wood, for the mining and processing of copper, the forests of upper Dalarna were reserved for a long period to the exclusive use of the mine.

Toward the end of the 17th century, a sawmill was purchased at Domnarfvet for the company.

Most of the company's forested land was obtained during the 19th and 20th centuries incident to acquisition of iron works and mines.

The company owns some 750,000 acres of productive forested land and this provides more than half the wood consumed.

But modern, scientific conservation and regeneration methods are maintaining sufficient new growth to provide the company with expanding sources of wood for many years.

Today company's chief sawmill and pulp operations are carried on at Skutskar where the Dal River empties into the Gulf of Bothnia.

The sawmill operations produce some 29,000 standards a year; the pulp plant some 27,000 tons of strong sulphite woodpulp and about 50,000 tons of bleached sulphate pulp.

By far the greatest proportion of the output of both sawmill and pulp mills are exported. At the same time a number of chemicals — sulphite alcohol, turpentine, liquid rosin, acetaldehyde, butanol, butyl acetate, and storamine—are obtained as by-products of pulp production.

The manufacture of newsprint is centred at company's Kfarnsveden mill on the Dal River south of Falun. This is one of the largest and most modern newsprint mills in all Europe. One newsprint machine, recently installed, is the largest of its kind operating on the Continent. Annual output of this mill is about 110,000 tons of paper the most of it being exported, chiefly to U. K., West Germany.

Since the very beginning of operations at the Falun mine, water power has been a very important factor in company's operations. The company now produces about one twentieth of the water power used in Sweden, which makes it one of the largest private undertakings in this field. All the power plants are located in the Dal River basin. Large new installations now under construction will boost company's power stature considerably.

Main iron and steel production is centred at company's big Domnarfvets mine south of Falun, and in the Soderfors Bruk and Alfkarleo mills in northern Uppland province. Domnarfvet is the largest steel mill in Sweden.

A program of modernization and expansion has brought its annual production up to about 400,000 tons of rails, beams, bars, shapes, plates, sheets, and castings.

The Soderfors mill has developed into one of the country's leading producers of fine steel. Here in the 1930s a process was developed to produce a new product, sponge iron—a product that could be used directly in electric furnaces for high grade steel production. In 1943 Soderfors began the production of cemented carbide, for cutting edge of tools, rock drills. Some Soderfors steel goes to the nearby Alfkarleo factory which uses it in springs for railways, automobiles, machinery and farming implements.

The company owns or has interests in several iron ore mines in central Sweden. Some of the deposits have a high phosphorus content, like the Grangesberg deposits, others extremely low phosphorus like the famous Dannemora, the country's purest iron deposits. The ore is crushed and milled into concentrates with a high iron content.

The concentrates from the phosphorus - rich ores go to the smelting furnaces at Domnarfvet, the others to the quality steel works at Soderfors. Processing at Domnarfvet is based on a combination of the basic Bessemer and electro-steel processes, particularly suitable in a country where fuel is expensive but electric power relatively cheap.

Manufacturing at the Soderfors plant is based on the sponge-iron process—named after its inventor the Wiberg-Soderfors method — which means that the ore is reduced to iron with carbon monoxide gas, that is, without smelting.

It yields a sponge-like, highly pure intermediate product which is an unusually good raw material for quality steel.

Our Metallurgists Work With Swedes

Ontario Research Foundation metallurgists and Swedish mining officials are working along closely parallel lines in developing a new dry concentration method for treating magnetite ores for steel production.

The ORF has had an experimental unit in operation at its North Toronto pilot plant for a year.

Sweden's largest mining equipment firm—**Sala Maskinfabriks AB** — at Sala in central Sweden has just completed building its first dry concentrator. It will be shipped shortly for installation in one of Sweden's major mining operations.

The dry concentrator is an all-important development in the iron ore mining field. It provides simpler equipment, less costly operations and no need of water for processing purposes.

Often maintenance of water supply in freezing conditions in northern Canada or Sweden is virtually an impossible task. The new dry concentrator will not only remove this threat but will make possible concentration on small-scale basis in more remote mining areas.

The Sala Maskinfabriks AB has worked closely with many Scandinavian mining concerns for many years, collaborating with them in designing and building special mining equipment, solving bothersome processing difficulties. The firm has specialized in ore dressing machinery for iron and sulphide ores.

Sala has sold equipment — particularly slusher hoists — to several Canadian mining companies. S.M. is also represented in U. S., South America and South Africa, Italy, Spain and West Germany. In recent years the company has delivered several complete ore concentrating plants.

NEW TRANSISTORIZED loud-speaking telephone now being marketed by Sweden's big LM Ericsson firm. Manufacturing of communications equipment carried on in 10 countries, selling representation in 80 lands.

Ericsson

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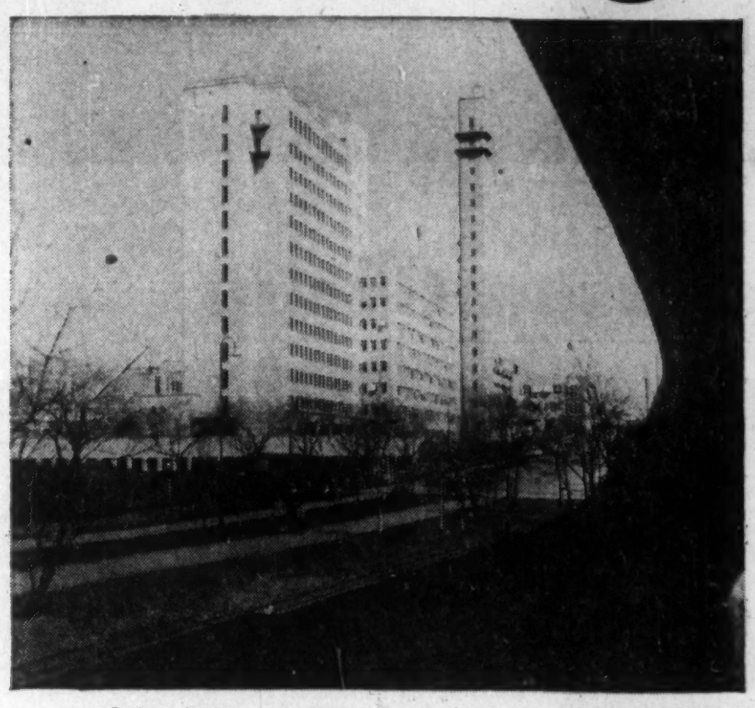
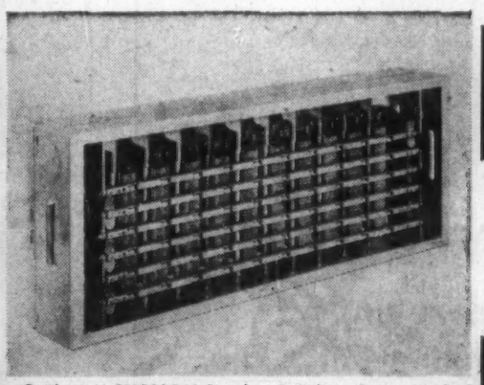


● The radio tower and administration wing of the L M Ericsson Plant in Stockholm.

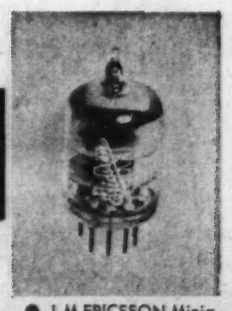
In 1876, a young Swedish mechanic, Lars Magnus Ericsson, set up a tiny workshop in a backstreet of Stockholm. One year later, he had produced a practical, working telephone of his own design - the first of a wide range of telecommunication products which have made the name L M ERICSSON famous throughout the world.

Today, Canada is one of 70 countries where people communicate with the help of L M ERICSSON.

● The ERICOFON is the world's most modern telephone—technically and aesthetically beautiful. Subscribers to some Canadian telephone companies are already using the ERICOFON.



● The L M ERICSSON Crossbar Switching System is ideal for dependable dial telephone service in remote but rapidly developing rural districts.



● L M ERICSSON Miniature Longlife Electronic Tubes are playing an important part in maintaining the reliability of major Canadian telecommunication networks.

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THE VOLVO WILL be on show in Toronto this month, ready for the 1959 season.

The Volvo
Seeks Canadian Market

A few weeks ago a Swedish-built **Volvo** sedan was driven non-stop from Vancouver to Halifax.

Distance: 3,908 miles. Time: 83 hrs., 45 mins. Average speed: 47 mph.

The two drivers carried their own food and slept and drove alternately. They were helped by the car's folding seat-bed equipment.

The journey was supervised by the Vancouver and Maritime Automobile Associations.

As a demonstration it was typical of the Volvo company's approach to car building. Reliability, road-holding and performance count for more than style.

The car that was used was a new one which had previously been driven only 30 miles. But it was a model which was introduced in 1944 and which has been selling successfully in Europe for more than 13 years.

It is an old-fashioned-looking, five-seater, family sedan. But even today it is winning sports car races in Canada and the U. S.

Volvo came into the U. S. in 1956 and sold 5,000 cars. In 1957 it sold 10,000. This year it is well on the way to selling 15,000.

The car was introduced to the Canadian market late last year. It is expected that sales this year will reach 750. A dealer network has been set up to operate from three main distribution points, Vancouver, Toronto and Montreal.

Success of this kind in the export market has pushed production targets far beyond the wildest hopes of two years ago. The factory is now bursting at the seams.

Prospects look good this year for reaching a peak production target of 80,000 units. Target for next year is 100,000.

This is tremendous growth for a company whose prewar peak year (1939) was 7,500 units and which did not approach 20,000 units until 1950.

Much of the credit for this success must inevitably be attributed to the advanced design of the Volvo and the unorthodox way in which it is built and marketed.

When the Volvo company was founded in 1927, Sweden had no automobile industry. The market was dominated by U. S. imports. **Volvo had the problem of competing with the mass - production methods of Detroit without** the assistance of an established components industry.

From the start, Volvo took the line that it would not attempt to make anything that could be made better and more cheaply by others, anywhere in the world.

Unlike other auto-makers who have used outside sources of supply, Volvo did not confine itself to its own country.

As Volvo's founder, Assar Gabrielsson, explains: "This competition became the Damocles sword we had hanging over the heads of our subcontractors.

"If we could not find other Swedish firms to compete in the manufacture of various component parts, we could always find foreign firms.

"The result of this was that Swedish sub-contractors often accepted the price we offered. Otherwise, the order went abroad."

The policy allowed Volvo to be unusually selective. This showed up in the product. Volvo was the first, in 1933, to use a crankshaft with integral counterweights. **It was made by Bofors, but it might well have been made by anyone else willing to pioneer** this type of drop forging.

Volvo even went as far as to persuade its Swedish subcontractors to send technicians to foreign countries, primarily the U. S., to learn more modern manufacturing techniques.

At the same time, Volvo pursued the policy of buying into the Swedish companies on which it was most dependent. **In 1931, it acquired the majority of shares of the Penta works at Skövde,** where the engine has always been made.

Acquisition of other major companies was greatly accelerated by World War II. In 1941, Volvo purchased the **Swedish Aero Engine Co.,** Trollhatten; in 1943 it bought out its transmission supplier, **Köping Engineering Works.**

"When the war started we were one single company with an assembly plant and an engine factory," says Assar Gabrielsson.

"By the time the war ended, we had become a concern with greatly developed production and increased capacity, we had experience from the solving of vastly differing problems which we should never have encountered earlier, a consolidated position and a share capital of 37.5 million kronor ($7.5 million)."

But even today, Volvo obtains about 15% of the parts for its passenger car from outside Sweden.

The current model, the PV 444, was first introduced in 1944. It embodied several new constructional principles: short-stroke engine, integral construction body, independent suspension, self-adjusting brakes and high-geared steering.

Most of these features are to be found on other cars today but few other makes (and none in North America) employ them all.

The Volvo has many of the performance characteristics of a European sports car, a fuel consumption of 35 mpg and remarkably low maintenance costs.

In the domestic market in Sweden it also has the surprising feature of a warranty covering collision damage.

Says Gabrielsson: "This guarantee is the end product of our service efforts. We have managed to reduce repair costs to such a low level that we are able **to relieve the customer of these costs within certain limits."**

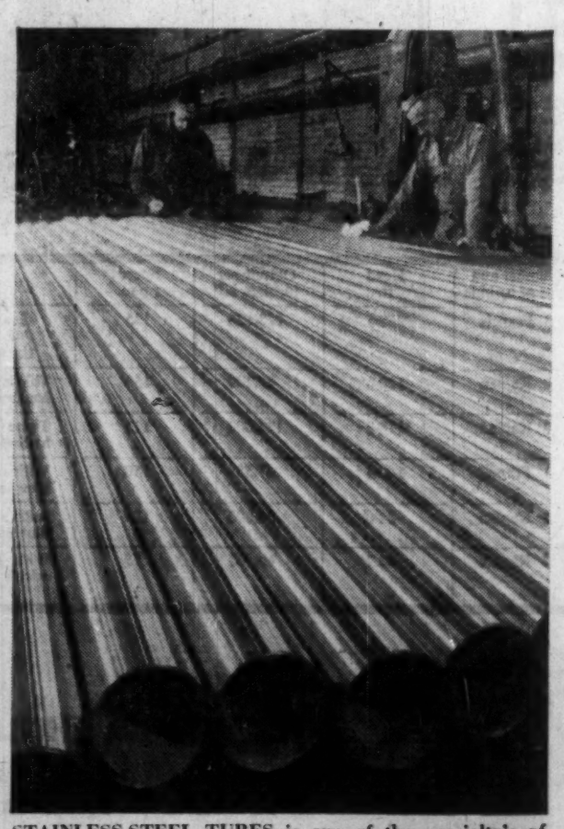
The PV 444 is likely to remain in production for several more years. (The company is aiming to sell 250,000 of this model. It is well over half way.)

A modified version, however, will also be on sale later this year. Known as the PV 544, it has a larger windshield and rear window, slimmer pillars, wider rear seat, padded dash and padded visors. It also has an improved steering system.

With this additional model, Volvo is confident of maintaining its 25% share of the home market as well as enjoying steady growth in the export field.

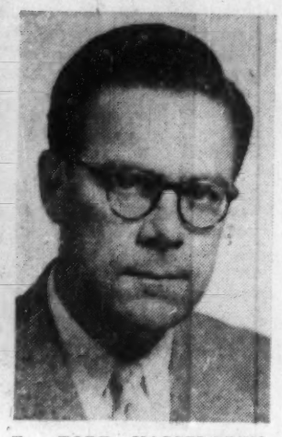
There is, however, one cloud on the horizon: To cope with its markets, the company is faced with a multi-million - dollar expenditure for a big new general assembly plant at Gothenburg.

Capital outlay is likely to be $20 million-$25 million.



STAINLESS-STEEL TUBES is one of the specialty's of Sandvik Steel Co., Sandviken. Company celebrated its 100th anniversary this year.

'Big Stake In Trade'



By TORE HASSELGREN, Trade Commissioner for Sweden in Eastern Canada

Canada, as a nation, has a big stake in foreign trade. In fact, hardly any other country can boast of as high a turnover with foreign parts.

Even in terms of absolute figures, this turnover is very impressive, in comparison with most trade partners outside continental America.

That much of this Canadian exchange of goods is directed southwards is a rather natural thing.

Nearness breeds familiarity, and Canadians have been so long in close contact south, that it is a more or less automatic reaction to look south whenever they want anything which is not made domestically.

The smaller trading nations will have to fight for what is left.

The Canadian market is actively wooed by practically all exporting nations, and Sweden is doing her best to promote trade with Canada in both directions.

Sweden is very like Canada in many respects; climate, natural resources, northern situation, preponderance of forestry products, are but a few of these similarities which tend to restrict the area in which trade relations can be promoted.

In actual conditions of production, too, Canada and Sweden have much in common. Sweden is a high-cost production area which has to compete in quality, ingenuity of design, technical innovations, and other such points, since Sweden is unable to compete in price.

It follows that Sweden cannot hope to sell very much of her ordinary consumer items to the Canadian public but has to concentrate on production equipment, machinery, high-grade materials and similar goods.

The amount of competition to Canadian industry offered by Swedish imports seems, thus, to be considerably lower than the average.

More and more, Canadian importers are finding their way to Swedish sources of supplies.

In order to assist them, Sweden maintains Trade Commissioners in Montreal and in Vancouver.

We are located at the Swedish Consulates for purposes of convenience only in finding us and not because we are actually members of the Foreign Service.

On the contrary, Trade Commissioners sent out from Sweden are taken from the ranks of private economy and have a fairly good grounding in private trading.

Canadian exports to Sweden, and purchases in Sweden, have been on a steady increase for many years and will surely continue to rise in future.

Although the present list of imports from Sweden is surprisingly long, there are still many facets in Swedish Canadian trade which have been left unexplored and which will amply repay investigation.

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Sweden: Interesting Market

By A. P. BISSONNET, Canadian Commercial Secretary in Sweden

Trade is one of the strongest links binding Canada and Sweden, and since the end of World War II the volume of this trade has been steadily increasing.

In 1957 the total trade between the two countries was the greatest on record amounting to an exchange of approximately $27.7 million.

This interesting and appropriate issue of "The Financial Post" will do much to increase our knowledge of Sweden, and the reader will undoubtedly be impressed by the industrial development of that country, and by its other commercial and economic achievements.

It will also reveal Sweden as an interesting market for Canadian exports.

One may wonder why Sweden, a relatively small country, is able to absorb such a large quantity of imports — large by any standards.

It is the world's seventh trading nation, and yet it has a population of only 7.4 million, living in an area equal to that of Nova Scotia and Newfoundland combined, and stretching from the Arctic to Denmark.

There are two reasons for this. First, the standard of living in Sweden is high; higher in fact than almost anywhere in Europe. Sweden looks "newer" and more modern than other European countries.

The average Swede can afford to eat better, dress better and spend more on non-essentials than his European counterpart.

The national purchasing power is, therefore, correspondingly high. Secondly, Sweden is one of the world's important exporting nations, not only of its forest products and ore resources, but also of its manufactures.

Thus, it provides a large market for the raw materials required by these industries. These needs must, therefore, be measured in terms of Sweden's domestic and large export markets.

This is why Canadian exporters should not fail to explore the possibilities of this important market.

With practically unrestricted imports from the dollar area, no foreign exchange problems, and a low tariff, it cannot fail to attract interest.

It offers greater freedom of access than many European countries at the present time.

Exporters should bear in mind, however, the fact that Sweden is a quality market. Swedes of all groups have discerning taste and look to quality as well as to price.

For this reason, Sweden can be a good proving ground for the world's more sophisticated markets.

But, competition is keen, particularly from Germany, the U. K. and the U. S.

The manufacture of Swedish products in Canada under licence offers trading possibilities.

As Swedish manufacturers are showing an increasing interest in Canada as an ideal location for industrial expansion, Canadian firms with surplus plant capacity might well look to Sweden for business.

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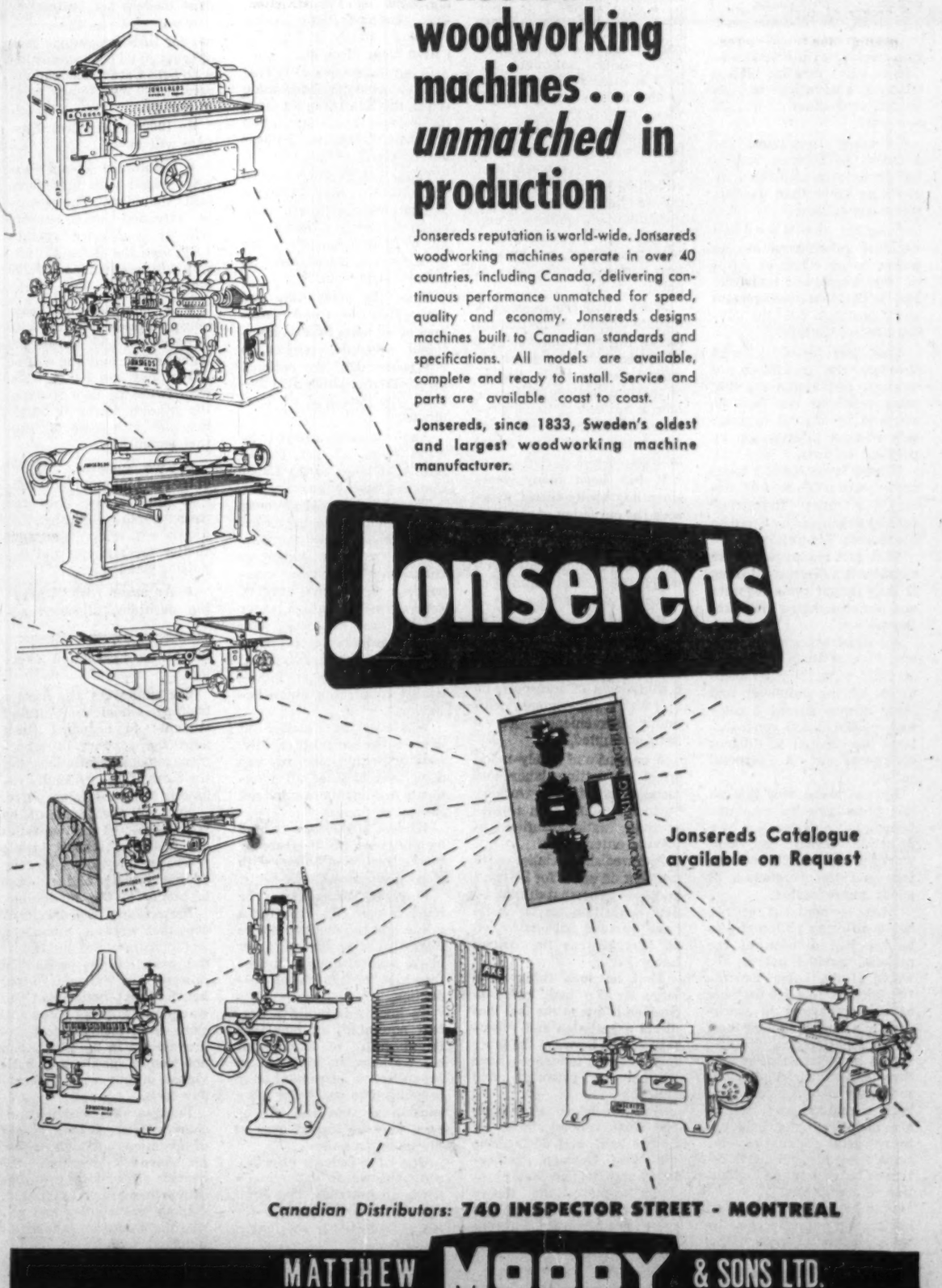

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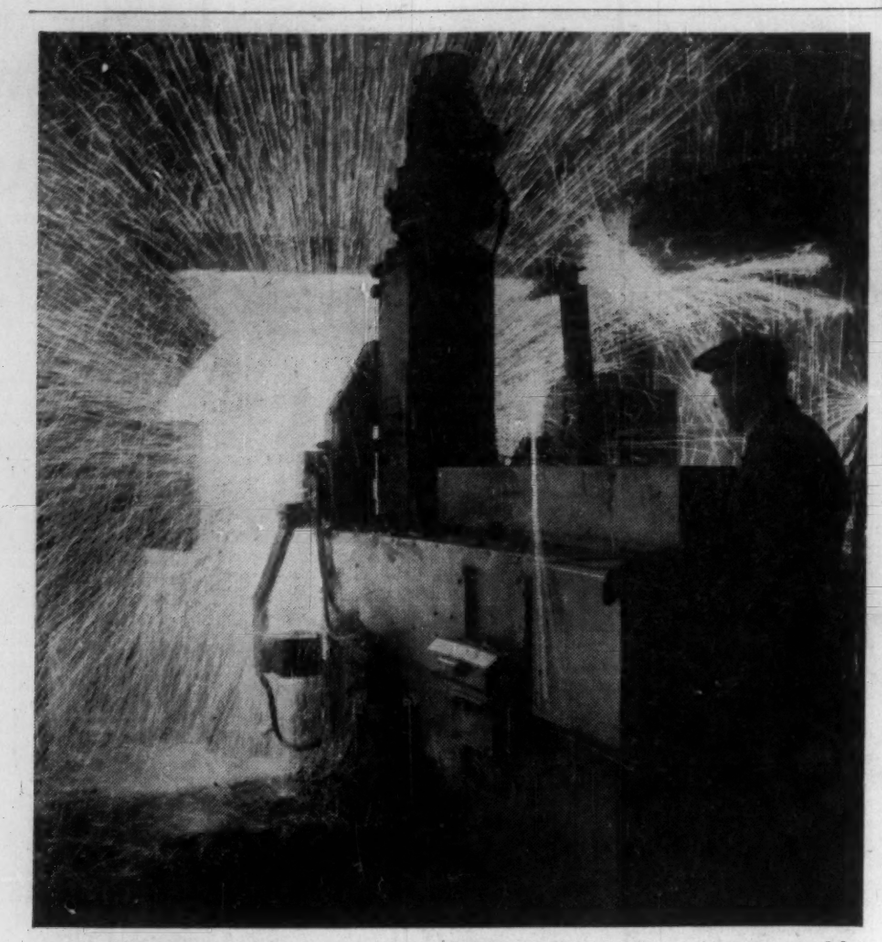


FLASH WELDING AT Degerfors pressing mill. This mill is only one of many owned by the Uddeholm empire.

Labor Relations

Work in Harmony

By ROBSON BLACK

Robson Black, Montreal forestry expert, is honorary president of the Canadian-Scandinavian Foundation. He has conducted five study missions in Sweden.

Swedish labor unions with a membership of 1,700,000 believe in the strike-weapon but have almost forgotten how to use it.

For the past 18 years, no major disturbance of industry or public services has come about in this most highly-unionized of all nations.

In 1956, an all-time peak in labor-management peace was reached with a total national loss through labor troubles amounting to the annual production of just 15 workmen.

To many Canadians, the situation in Sweden sounds too good to be explained by anything other than government compulsion.

Actually, the **Swedish Socialist government has no power to set wages or terms of employment and interferes less with labor-management** situations than does the government of Canada.

This has come about through the insistence of workers and employers that their problems can best be resolved by mutual negotiation without intervention by political casuists.

"There is no specific technique responsible for our success," remarks "Industria," official organ of the Swedish Employers Federation.

"The fact is that **both sides consider it a disgraceful thing if they cannot come together and compose their differences themselves.**"

An illustration of this co-operative attitude was seen recently when the chief executives of the employer and labor groups shared a common platform and congratulated one another as diligent champions of a peaceful society.

By no means was this an idle pleasantry between two friends but a declaration of a principle which has kept workers continually on their jobs and the production of goods uninterrupted.

Each element, of course, has a differing philosophy as to the just division of the national product but, in the words of the Labor Federation's head: "We are partners of the employers in working for a continued growth of the national economy."

One important reason why Swedish industrial disputes so rarely explode as local units is that the two factions are diciplined and balanced by powerful national associations, these being the Federation of Labor and the Federation of Employers.

Both are staffed by trained leaders and professional assistants, including accountants and economists, far more expert in peace making than in waging battle.

Nowhere — at least not for long — does the self-assertive doctrinaire or agitator show his head. The Swedes are probably the world's poorest market for the 'pie-in-the-sky' peddler, inasmuch as they counter each blandishment with a stock question: "Does it work?"

By eliminating political interference in adjustment of disputes, the responsibilities of self-government and discipline have been imposed upon Swedish employers and workers alike, resulting in a sensitive respect and awareness concerning the general public welfare.

When a labor-management dispute threatens to disrupt one of the public services, or to raise the price level, or curtail foreign trade, leaders of the two factions will summon a conference to compromise a settlement and safeguard the more vital social interest.

It has been many years since any strike-threat menaced the operation of railways and buses, or trucking and delivery services, or indeed any of the communications on which the normal running of a society depends.

By mutual agreement of capital and labor, inspired no doubt by an earlier and catastrophic public reaction to a shut-down of transport, no further experiments with public conveniences have been attempted.

A curious and rarely-noted effect of getting labor and management into a working partnership has been to discourage nationalization of private enterprises.

A Swedish Socialist government, in office for 25 years and now somewhat diluted by new opposition forces, could have pursued nationalization as diligently as the British Labor Party.

That no such thing on a large scale took place in Sweden is due to the fact that direct negotiation and voluntary accord between the labor force and industry have worked so smoothly and amicably.

Swedish labor-rates average 23% above those of Switzerland, and 50% above the West German, Netherlands and Belgian levels.

Furthermore, the theory that public-owned enterprises more readily cater to the claims of labor carries little weight with the Swedish worker.

Under his "socially - modified capitalism" he enjoys every variety of fringe benefit, thereby adding 18% to his income.

Rarely does he pay more than $25 to $30 a month for a modern, well - equipped dwelling which, of course, is a consequence of government and corporation subsidies on housing.

And while such subsidies are hard on the taxpayer, they enforce high living standards and have kept the nation clear of slums.

Being human, and gifted with a tough bargaining sense, the Swedes quite often disagree on the interpretation of their collective labor agreements.

These contracts, arranged annually as a rule, fix wages and working conditions. They do so "across the board" for all workers engaged in the same form of employment on a nation-wide basis.

Thus, the piece - rate pay for steel-workers and craftsmen of all sorts follows a national schedule, subject to readjustment at the national level of negotiation and beyond the purview of local unions.

Any violation alleged by either side, if not settled locally, is taken to the Labor Court at Stockholm.

This is a tribunal of seven men, including two appointed by labor, two by the employers, with a judge as chairman and two non-partisan professional experts.

On occasion, a union leader charges an employer with cutting corners on his contract, and a similar complaint may be made by an industrialist concerning union behavior.

Whatever the matter at issue, cases are tried rapidly, usually within one or two days, and 80% of all judgments are unanimous and not subject to appeal.

Wildcat strikes are treated by the court (as they are by the Federation of Labor) with stern disapproval.

Fines of $40 each may be imposed on the rebellious group and the money may be turned over to the employer of the wildcatters to compensate him for his loss of production.

To keep this punitive system equitable, an employer found guilty of locking-out his workers, in violation of his collective agreement, may be obliged to pay a far more substantial sum and all, or part, may be turned over to the union treasury.

One of Sweden's effective contributions to labor-management harmony has been the creation of training colleges, supported by union funds.

Here, ambitious young leaders take courses in accountancy, the history of organized labor, public relations, and other subjects useful to an association executive.

The employers also have a training school for selected students to acquaint them with the conduct of labor-management negotiations and the cultivation of friendly relations with the labor force.

Now and then, some of the "professors" of the two types of training schools trade places for a few days, thereby adding variety and a sense of humor of the curriculum.

Basic to the Swedish concept that workers, managers, and machines are all essential parts of the production process is a well-entrenched belief that betterment of wages and working hours will come from technological improvements in the plants and not from a speed-up of individual output with present-day tools.

Being a race of born mechanics, with a long record of invention, and high respect for scientific research, the Swedes are looking to brains rather than brawn to build up volume and quality and enrich the workers' standard of living.

From such technically-devised surpluses of goods and their successful marketing, the artisan will make sure to get his share.

SAS Flies All Over The World

The routes of **Scandinavian Airlines System ring** the globe.

Every hour SAS aircraft take off and land from such diverse points as Nairobi and Winnipeg, Moscow and New York.

Its services link Scandinavia with 39 countries on five continents.

SAS is unique in many respects. It is run jointly by Sweden, Norway and Denmark. It rates fifth on the list of leading international carriers in passenger miles.

The tri-national line has plans to alter a lot of the world's traditional air travel thinking. It has already gone a long way toward it by being the first line to fly "over the top" to the Western U. S. A. from Europe—slicing hours off the customary schedule.

SAS has an ambitious fleet of new aircraft on order, including seven giant DC-8 jets and six of the smaller French Caravelle jets for European routes. There are a further 19 Caravelles on option.

These new planes will be added to, or will replace, an already large fleet of conventional DC-7Cs, DC-6Bs and **Convair** Metropolitans and smaller machines.

From 1961 onward SAS will be on the forefront of world jet operation. And it hopes it will pay off.

The Scandinavians have big hopes that their new super fleet will tend to make world travelers think twice about their routes.

Traditionally U. S. and Canadian passengers think of London, Paris and Rome as the three logical arrival points in Europe—with Amsterdam close behind.

But Copenhagen's Kastrup airport is being given a face lift to the tune of $27 million to make it one of the world's most modern jet centres.

It will serve as the terminal for SAS long-range jets, offering quick connection with SAS Caravelles ready to race at 500 mph to any point in Europe.

By 1960 the new look Kastrup will have:

- **Reinforced jet-age runways** edged with macadamized "shoulders." The recently extended main runway will be lengthened another 1,650 feet, the alternate runway will be extended to 9,200 feet.
- **A "house-of-glass" passenger terminal building** with a capacity of 1,600 passengers an hour. The building will be 525 ft. long and 220 ft. wide, with twice the floor space of the present terminal building, and with room for further expansion.
- **Two massive "finger" gates** reaching out slant-wise to the tarmac onto the main terminal building. The fingers will afford maximum shelter for arriving and departing passengers.
- **An apron with 25 parking positions,** allocated according to types of aircraft. Room has been provided to increase this number to 35.
- **A 10-story air traffic control tower.**

SAS has never balked at trying to alter the public's travel habits.

Airline business the world over—while chummy on the surface — can be cutthroat underneath. The countries with big passenger reserves are unwilling to allow foreign airlines in to carry away too much trade from the home-based carriers.

For a line to fly overseas, it must be able to show the country it wants to visit that a reciprocal agreement will pay off for its airlines.

That was part of the thinking of the three Scandinavian airlines when, in 1940, they entered an agreement with the U. S. on a pool-service once-a-week between Norway and the U. S. by flying boat run in conjunction with **Pan American World Airways.**

Invasion of Norway ended that phase of the operation.

But by 1945 they were ready to start again. By then the situation had changed. The U. S. lines emerged from the war big and powerful. Britain and France were swinging into the civil air war with impressive plans.

To stay in the big league was going to be expensive. To offer enough passengers to get bilateral agreements, Scandinavia was much better off to act as one unit.

So Aug. 1, 1946, the unique SAS organization came into being officially. It was 3/7 Swedish, 2/7 Norwegian and 2/7 Danish.

Initially it was simply concerned with flights outside Europe. But the organization worked so well it was later decided to combine all services.

There was plenty of work to be done, and national pride to be protected, before it was finally agreed on. However, it was made to work.

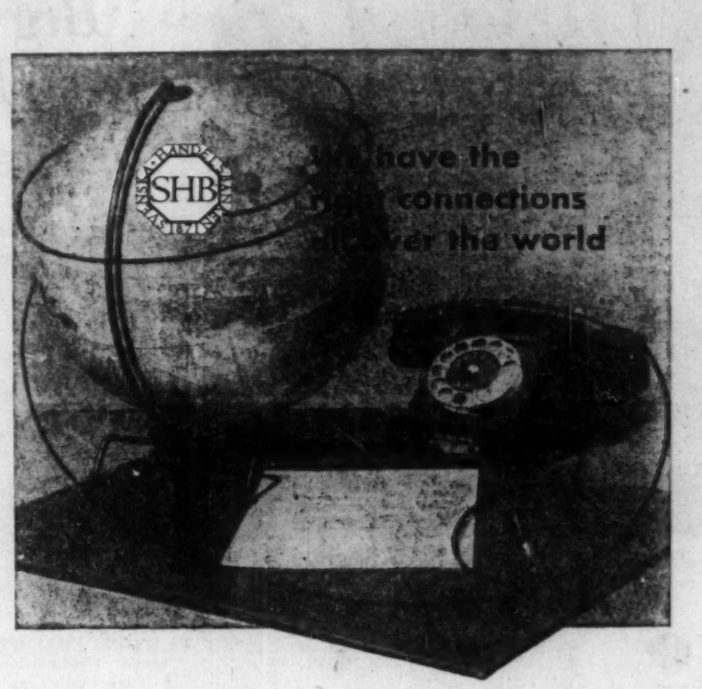
Out of the re-organization came one of the world's biggest airlines — over 10,000 employees, 80 aircraft, 120,000 route miles.

It is also one of the world's most ambitious.

SAS pioneered Polar flying for civil airliners. It flew proving flights into the navigational limbo over the North Pole where ordinary compasses failed—after all, over the Pole any direction is the same: 180 deg. due south.

When jets came along, SAS was among the first operators to place large orders. It will be one of the first to offer jet services along the busy European routes.

There is still something of the adventurous spirit of the old Viking about today's SAS crew as they spread out over the world.



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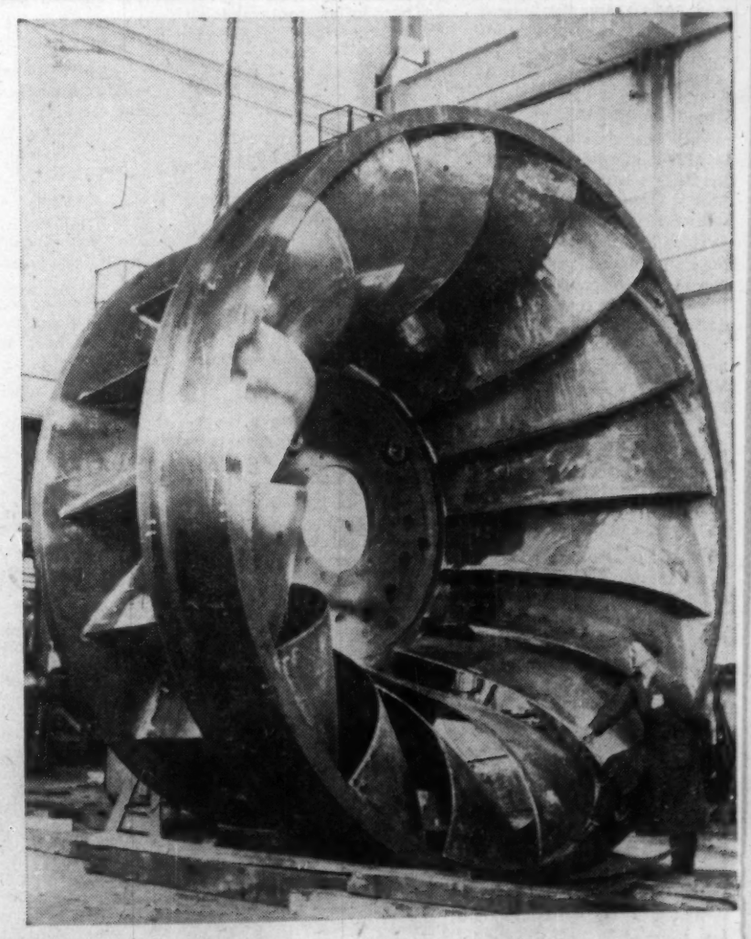

Specifications of large water turbines already delivered, or under delivery by NOHAB

Power station	Number and type of turbine	Head ft.	Output per turbine, HP	Speed r.p.m.	
Stornorrfors, Sweden In service 1959	3 Francis	239·5	178,120	125	**Guaranteed output at 75 m. (246 ft.), 200,000 HP. The most powerful turbines in the world.**
Lasele, Sweden In service 1956	2 Kaplan	170·6	87,200	150	**This is the highest head for which a Kaplan has been installed in Sweden.**
Porsi, Sweden In service 1960	2 Kaplan	118·0	131,000	115	**These will be the most powerful Kaplans in Sweden.**
Mael, Norway In service 1957	1 Francis	140·4	47,500	150	**With regard to dimensions, the largest turbine in Norway.**
Panchet Hill, India In service 1958	1 Kaplan	81·0	56,000	125	**India's largest Kaplan, in output as well as dimensions.**
Rincón de Baygorria, Uruguay In service 1959	3 Kaplan	48·2	49,500	79	**With regard to dimensions, South America's largest turbines.**

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Sweden's Forest Products Account For 40% of Total Export Revenue

Flying over Sweden one is impressed by the tremendous stretches of forests. Even in the more heavily cultivated areas in central and southern Sweden forests abound in practically every distrcit.

Actually a little more than half of Sweden is forested. On a per capita basis this works ou. to some eight acres of forest per person.

That is the second highest rate in Europe, only surpassed by Finland. What's more, owing to one of the most successful forest conservation programs in the world, Sweden's forests are actually expanding despite the heavy annual timber cuts.

Each year some 150 million logs are carried down the rivers to factories where they gradually become wood material for houses in U. K. and France, newspapers for U. K. and U. S., paper pulp for South America.

Forest products comprise the country's biggest export group bringing in approximately 40% of total export revenue.

Around 60% of total forest products production in an average year—lumber, wallboard, pulp and paper—is exported.

Total value of this heavy foreign trade in 1957 reached an all-time high of $830 million. On a physical volume basis this represents a one-third boost from the average prewar years 1936-1938.

A look at the rivers of northern and central Sweden where the forested areas are heaviest provides a good explanation of why most of the sawmills and pulp plants are located on the river mouths in the Gulf of Bothnia.

The creeks and rivers have enabled cheap transport of logs down to ocean ports where they could be processed and then exported anywhere in the world.

Despite a continuing growth in domestic demand which makes Sweden next to U. S. and Canada, the biggest consumer of paper and paper products, some 65% of chemical pulp production goes abroad.

Actually Sweden is the biggest pulp exporter in the world exceeding Canadian shipments by 500,000 tons in 1956.

Approximately 81% of her export goes to U. K. and Europe; exactly the same proportion that Canada sends to the big U. S. market.

Although Sweden's U. S. business has dwindled sharply in the postwar period — being taken over increasingly by Canadian and expanded U. S. producers — the market losses have been more than made up in other markets, principally European.

Before the war Sweden's U. S. pulp market ran around one million tons annually, representing some 37%-40% of total exports. Last year it had dwindled to an all-time low of 200,000 tons, or 7.5%.

The Swedish pulp outlook is considered bright. Increased pulp and paper usage invariably comes with an advancing standard of living.

As the European countries, held back by two major wars, are allowed to develop, the demand for these products must steadily increase.

Even if Sweden were to be entirely excluded from any kind of European free market arrangement — a development looked on as highly unlikely — chances are still seen bright for a continued high pulp export to the present E.C.M. area.

Sweden's main competition in Europe has always been Canadian pulp. In 1956, for instance, Canada sent a total of 326,000 tons of all kinds of pulp to U. K. and rest of Europe, or some 13% of total export.

In 1937 she sent 100,000 tons, representing 11.5% of total export.

In prewar years Canada has not pushed export business in the overseas markets because of capacity requirements nearer home.

There is no doubt though that if the big U. S. market remains soft pulp producers here will try to increase their share of the European market.

With Sweden's geographic advantages and heavy dependence on pulp exports to Europe it is thought that Canadian exporters will be in for a stiff struggle.

With the annual forest resources still expanding in Sweden and the European market growing experts are predicting an increase of 500,000 tons in Swedish pulp output in several years' time.

Although a big item paper production is not nearly as important as pulp in the Swedish export picture.

Paper production also reached a new peak in 1957 with total paper and board output of 1.7 million tons, 7% over the previous year.

Roughly four-fifths of the exports went to West European markets with U. K. continuing the most important buyer.

The trend toward declining shipments to dollar areas continued with exports of newsprint ceasing altogether last year.

Traditionally, spruce and pine have been the mainstays of the forest industries, with a minor use of birch for plywood and aspen for match sticks.

Technical developments now permit greater use of birch, available all over the country.

As in Canada winter is the big logging season when the trees are cut and the timber hauled to the frozen lakes and streams. As spring sunshine melts the ice, logs and pulpwood start down the rivers to their mouths, where they are sorted according to their owner's markings.

Tractor and truck transport of timber has become more common in recent years as roads are pushed through the forested areas.

There has been a slight downturn in both pulp and paper production in the last few months of 1958 and outlook now is for a reduced sale this year.

Some experts are estimating a decline of around 10% to 15%.

This has risen entirely from a decline in export markets which in turn reflects reduced demand and increased world production capacity.

This downward trend has already induced the largest buyer of timber, Nordsvenska Virkesforebingen, to declare that next season they will take up only 60% of the normal quantity of timber.

The Federation of Associations of Woodland Owners has accordingly invited its members to reduce lumbering substantially next winter.

But despite the downward turn in the first half—around 5% for pulp and 2%-4% for paper—some industry officials are hopeful that the trend might be reversed in the latter quarter of the year.

The year 1957 was another big production year for Swedish lumber although export volume turned down as the year progressed.

Of the total output of some 2.1 billion board ft., representing around $200 million, export accounted for a little over 50%.

But between the first quarter of 1957 and the first quarter of this year there has been a drop of some 30% in exports of timber.

Woods operation will almost certainly be down considerably this winter in Sweden.

The U. K. continues to be the biggest export customer for lumber. Although Canadian lumber has been a major factor in the U. K. market at times shipments have declined in recent years.

Somewhat higher Canadian prices and more attractive nearby markets in U. S. has swung a greater share of Canadian lumber into the big U. S. market.

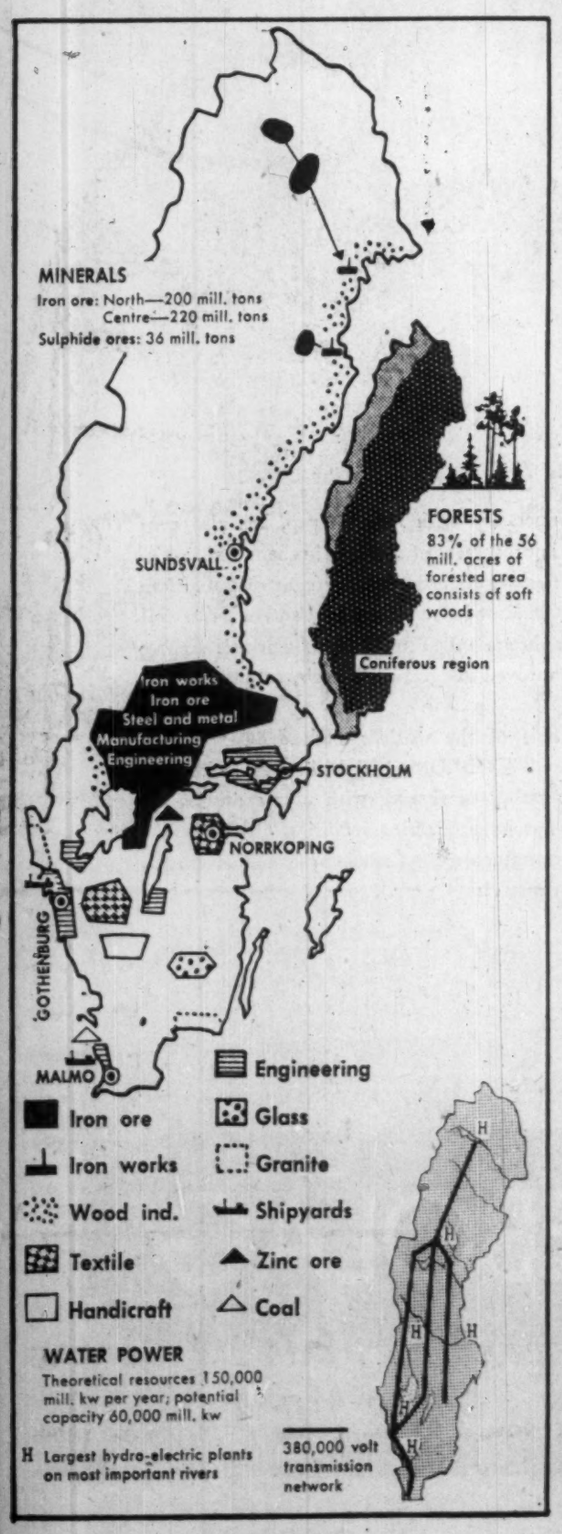
Some of the largest owners of Sweden's forests are the major integrated firms whose operations cover iron and steel and hydro-electric power as well as lumber, pulp and paper.

It was the forest wealth of Sweden which, some 300 years ago, made her the foremost iron producer in the world.

Immense timber resources were available within easy reach of the blast furnaces.

The old Swedish iron and steel companies were granted large tracts of forest by the kings and governments to serve their all-important iron and steel industries.

It was an easy and natural step therefore for these big firms to expand and diversify into lumber, pulp and paper production.



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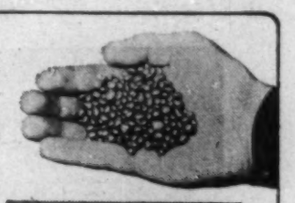

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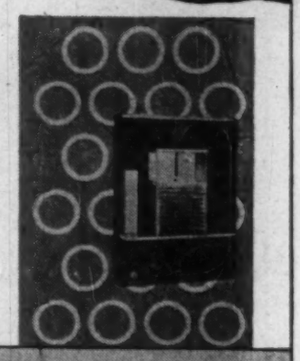

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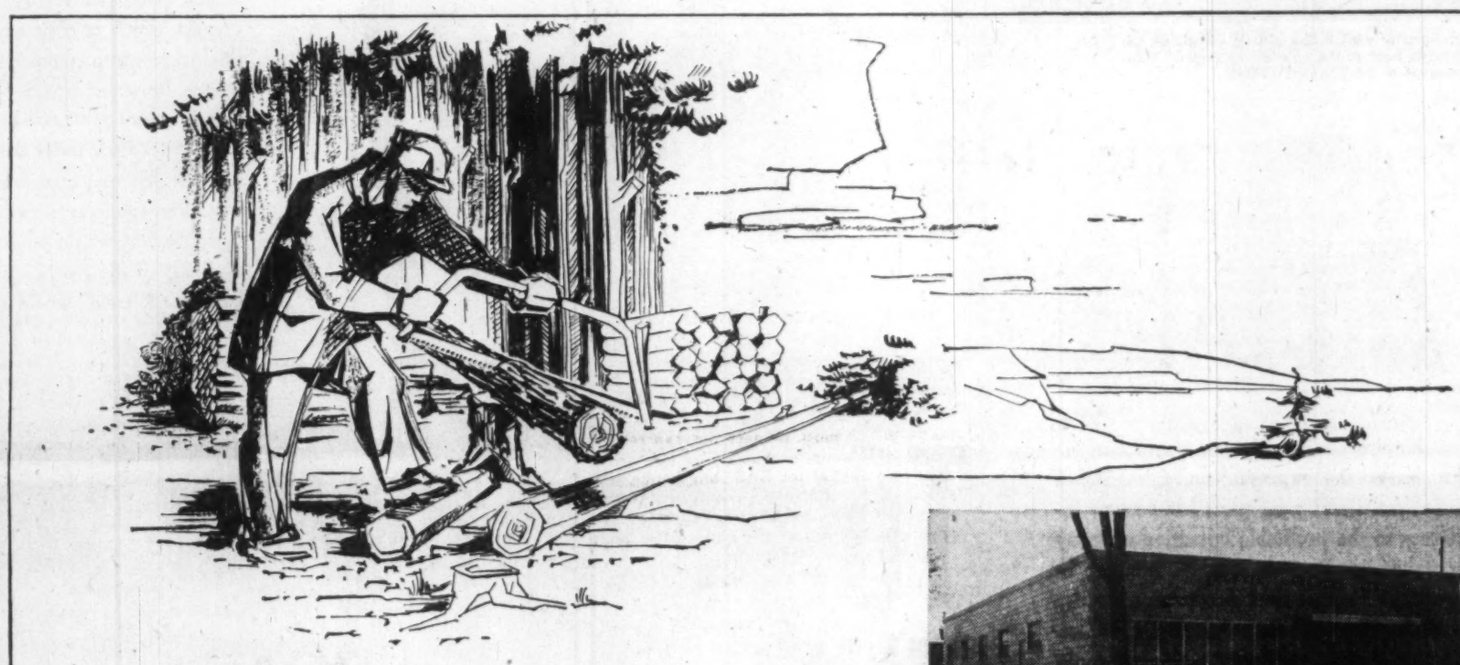


Sandvik offices and warehouse at Toronto, Ont.

Sandvik first came to Canada toward the end of the 19th century, when saws bearing the Sandvik "Fish & Hook" trademark became popular with Canadian lumberjacks. By 1925, Sandvik's business in Canada had developed to a point which justified the formation of a separate Canadian company to handle it—Sandvik Canadian Limited. During the company's silver anniversary year, the present Montreal offices, warehouse and plant were built, and were occupied in January 1951.

Today, Sandvik Canadian has become far more than a sales organization. It is an important Canadian manufacturer of rock drill steels and bits, which are sold exclusively through Atlas Copco Canada Ltd. In addition, Sandvik's Montreal plant supplies part of the Canadian market for carbide cutting tools. Large sums of money are devoted annually to research and testing in the carbide field.

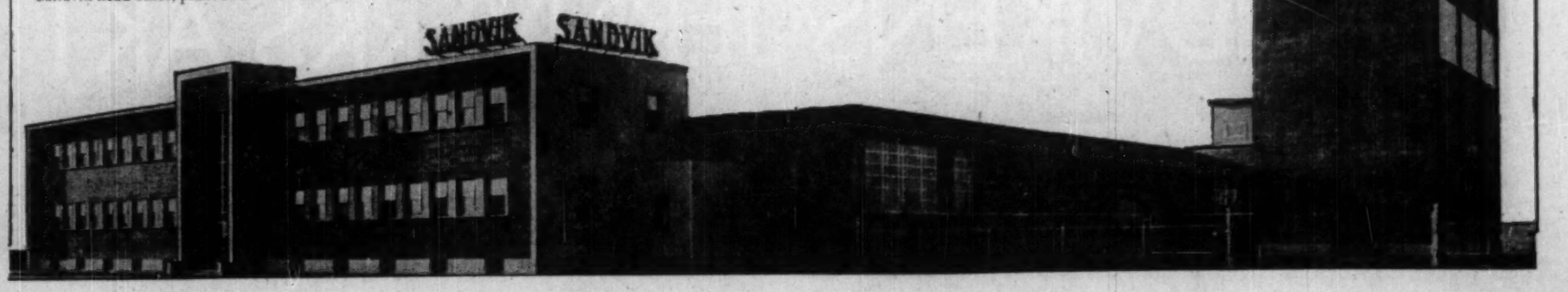
Sandvik Canadian's activities are supported by a carefully selected and trained sales staff, many of whom are engineers and experts in their fields.

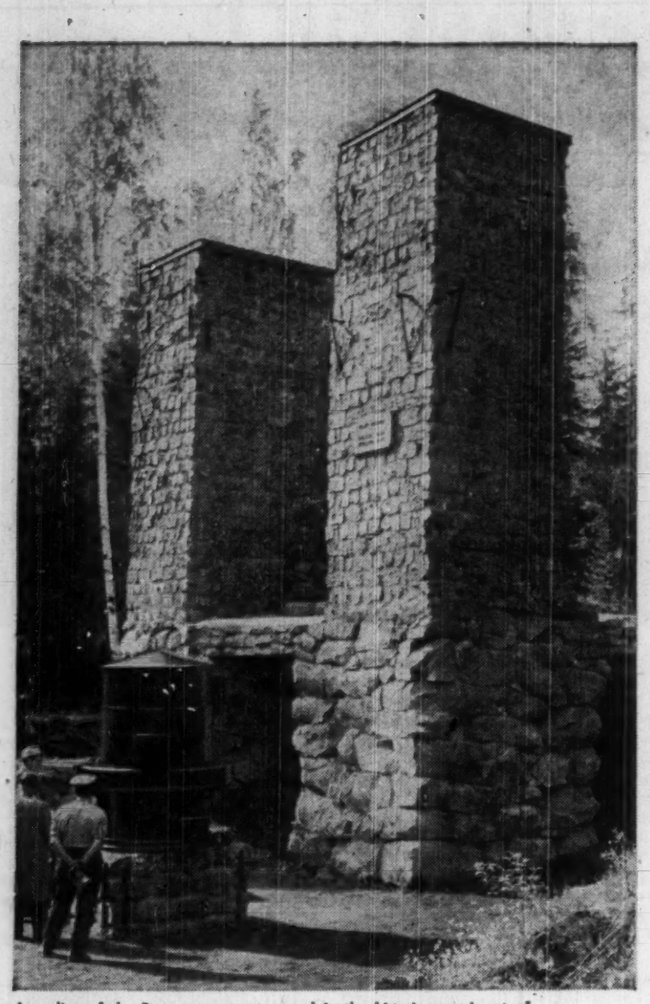
In addition to the products which it manufactures and the products of its parent company—SANDVIK STEELS and *Coromant* carbide cutting tools—Sandvik Canadian also makes available in Canada these famous Swedish hardware and industrial products:

BAHCO adjustable spanners,
BANKO scythes,
BERG wood chisels and pliers,
BROMAN-EKSTROM boiler tube cleaning systems,
C. I. FALL auger bits,
MALCUS high speed twist drills,
NYBY stainless steel sheet,
OBERG files,
"PRIMUS" camp stoves,
RAMEN heat exchangers and evaporators
"SI" foresters' tools.

SANDVIK
Canadian Limited
MONTREAL TORONTO VANCOUVER

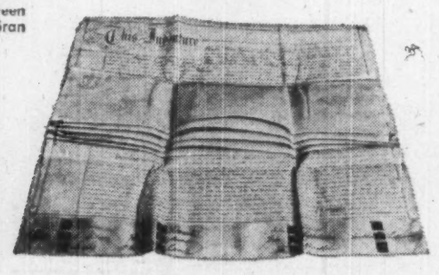
Sandvik head office, plant and warehouse at Montreal.





A replica of the Bessemer converter used in the historic experiment of 1858 was erected and placed in front of the ruins of the original blast furnace at Edsken on the occasion of the 100 year jubilee.

The original contract between Henry Bessemer and Göran Fredrik Göransson.

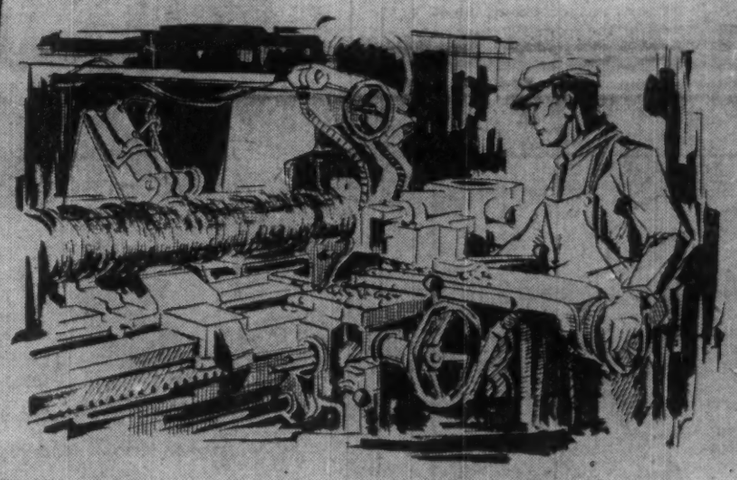


THE OCEANS ARE NO BARRIERS TO THE IDEAS OF MEN

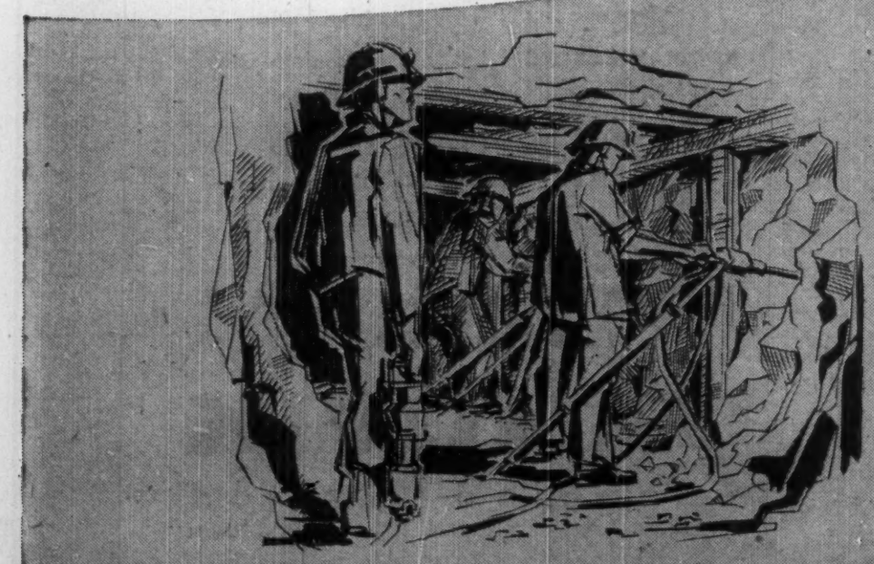
VII

The Englishman invented the process. The Swede made it economically practicable. Thus, as two streams form a mighty river, this confluence of ideas produced an industry which enriched the lives of all people and helped to change the face of the earth forever.

Henry (later Sir Henry) Bessemer conceived the now-familiar and far-famed process which enormously reduced the cost of making steel. The translation of this process into commercial practicability — the first steel production in quantity by the Bessemer process — was the achievement of Göran Fredrik Göransson. One hundred years, three months and seven days ago, at Edsken, Sweden, with a converter little taller than the designer himself, Göransson made the first commercial Bessemer ingot steel. Within a few years the Bessemer process, as evolved by Göransson, was beginning to help man reap a steel harvest in many countries. Göransson went on to found the Sandvik Steel Works at Sandviken, Sweden, now one of the world's principal makers of high grade steels, tungsten carbide cutting tools and world renowned saws.



During the last decade the improvement of hardmetal (tungsten carbide) tools and wear parts has become increasingly necessary to the profitable operation of many manufacturing industries. In 1942 Sandvik brought its wealth of experience in fine steel production, precise manufacturing methods, quality control, research and testing to bear upon the improvement of hardmetal tools. Under the Sandvik COROMANT tradename the company has developed and marketed radically improved cutting tools for auto factories in the U.S.A., aircraft plants in England, shipyards in Holland, the watchmaking industry in Switzerland, motor manufacturers in France and the machine tool industry in Germany. To a large extent Sandvik COROMANT manufacturing is now carried on in the user countries. Canada's ever-increasing needs are partly supplied from the Montreal plant of Sandvik Canadian Limited, employing both Canadian personnel and Canadian raw materials.



Sandvik, in cooperation with Atlas Copco, has also contributed to the improvement of methods in the world's rock-drilling industries — mining and heavy construction. Here Sandvik's intimate knowledge of fine steel and of hardmetal cutting tools has been applied to the world market's varying demands for improved integral drill steels, extension drills and drill bits.

Today about half of the world's rock drilling is performed with Sandvik COROMANT drill steels. In keeping with Sandvik's policy of sharing with user countries not only its ideas but its production facilities, COROMANT drill steels are manufactured in Canada by Canadians largely from Canadian material.

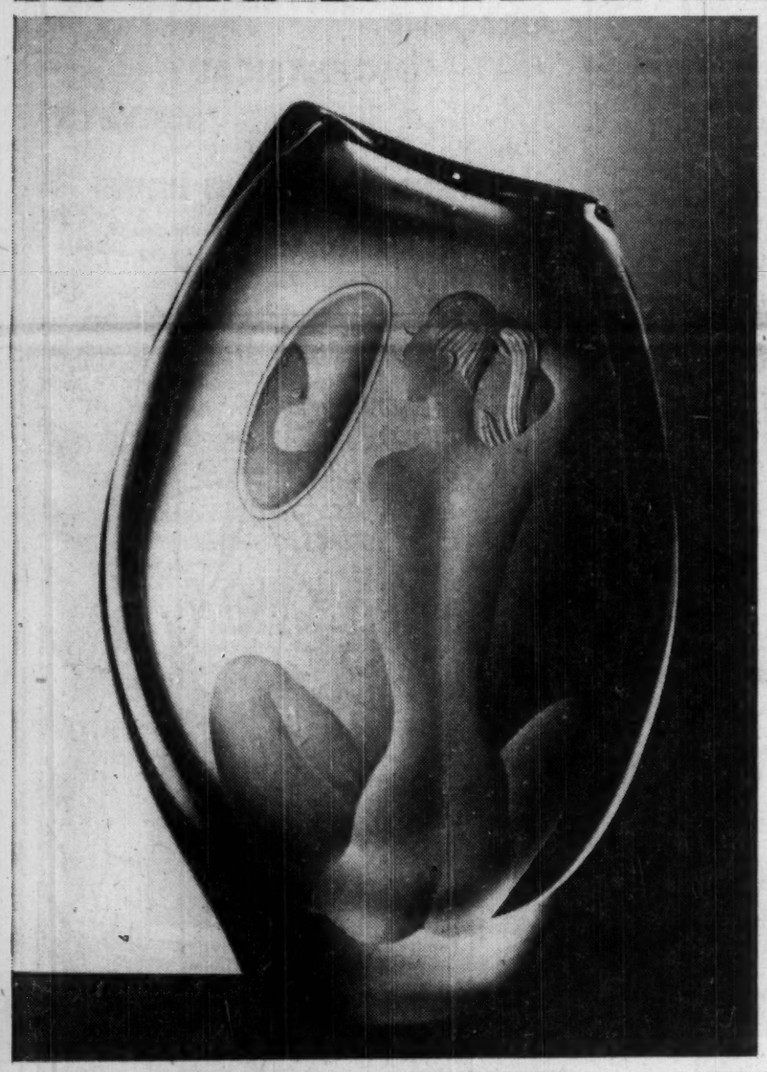
SANDVIKENS JERNVERKS AKTIEBOLAG

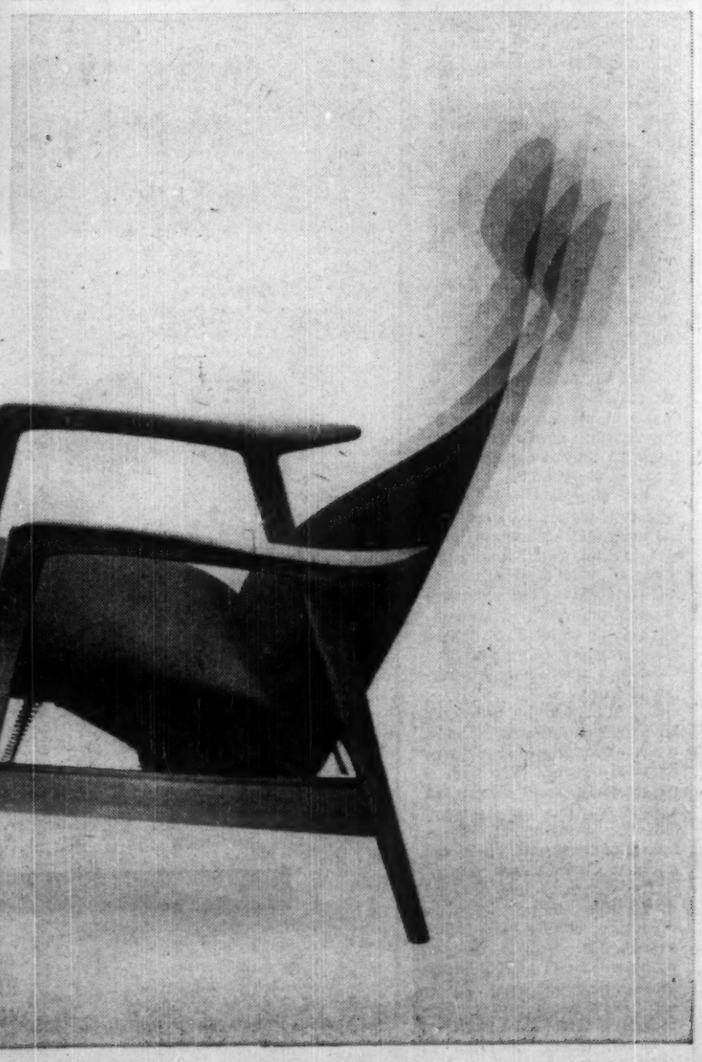
(SANDVIK STEEL WORKS CO. LIMITED), SANDVIKEN, SWEDEN

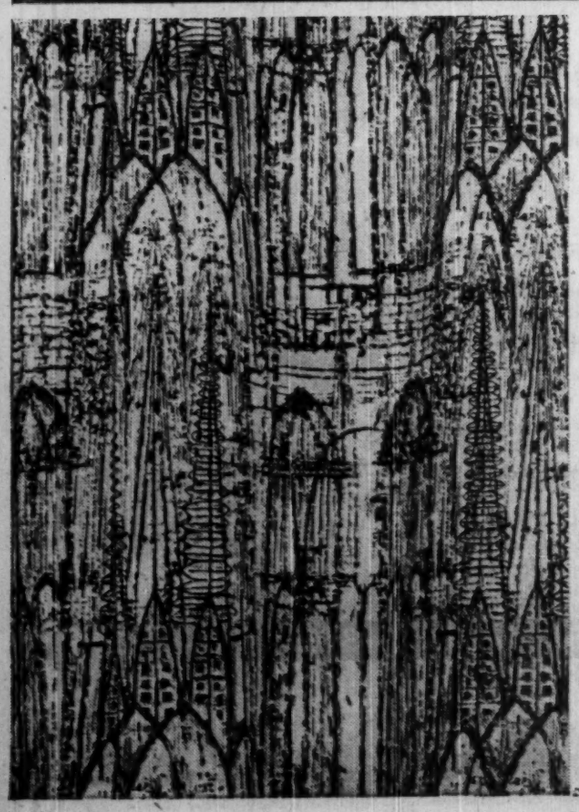
125 ASSOCIATES AND SUBSIDIARIES IN 74 COUNTRIES

The Financial Post

Vol. LII Publication Office: Toronto, October 11, 1958 No. 41







SWEDISH ART

Good Taste And Quality

Why and how has Swedish design managed to make such a name for itself in the industrial arts field in Canada and all over the world?

Today Swedish ornamental glassware, ceramics, silverware, furniture, enjoys the highest reputation for design "in good taste" and quality workmanship.

One of the main reasons Sweden's designers have been able to build up such a name is simply they haven't made any mistakes.

Because of this, buyers all over the world are more inclined to take a chance on new Swedish products as they come along.

Probably the biggest single reason why Swedish design is usually good and usually wears well, is because the artist, or designer, generally works right in the plant. He is not in a downtown penthouse studio. He designs from a first-hand knowledge of the plant operations, lives in close contact with management, engineers and foremen, designing with an eye to industry.

The success of several of the most famous glass firms in southern Sweden has depended primarily on a close, informal relationship between the artist and the craftsmen glassblowers.

Another important factor in Sweden's pre-eminent position in design, particularly in household design is the average Swede's liking for household things and his awareness of design in the everyday things about him.

Furniture

Shortly after World War II Swedish furniture hit the U. S. market with impact. Public liking was backed up by expert opinion which saw a bright, modern fashion in tune with the postwar era.

Buyer response was promising. Big furniture and New York department stores began to place substantial orders with major Swedish firms.

Canada, slower to accept a new fashion, did not show interest for a couple of years. But now Canadian firms are buying more Swedish furniture. Last year Canadian imports amounted to $112,000.

Swedish furniture is distinguished by highly skilled craftsmanship, an unusual feeling for wood, textiles and metals for a most pleasing effect.

There has been large-scale copying of Swedish furniture design in U. S. Producers are making sincere attempts at something original with one eye on the Swedish characteristics of lightness in design and finish; others are making virtually straight copies and with inferior workmanship.

One of the major names in the Swedish industry is Dux. The firm established a U. S. headquarters in San Francisco and actively cultivated the U. S. and Canadian market from 1950 on. Distribution is now handled through some 500 dealers throughout U. S. and Canada.

Glassware

The types of glass for which Sweden is famed are handmade tableware and ornamental pieces. The tableware has gained world-wide popularity because of its purity of line and elegant simplicity, artistic style, and the hallmark of the good taste.

Ornamental glass as thin as a soap bubble or thick as a chunk of rock crystal is blown into attractive, sometimes fantastic, shapes by master-blowers working in close co-operation with the artist-designer. Many of these pieces are later engraved or cut with beautiful designs.

The decorative and domestic branch of the industry consists of some 25 small firms concentrated around Smaland in south-east Sweden. They average about 100 employees.

The internationally known firm of Kosta (AB Kosta Glasbruk) was really the founder of the industry, in 1742. It was only in the 1920's that Swedish glass began to gain an international reputation. Today it is being shipped to 75 countries with approximately 40% of the entire production going to foreign markets. The Swedish glass makers look on Canada as a very promising market. Actually Canadian glass purchases have increased four times since 1950. Last year it represented 6% of total Swedish export.

Ceramics

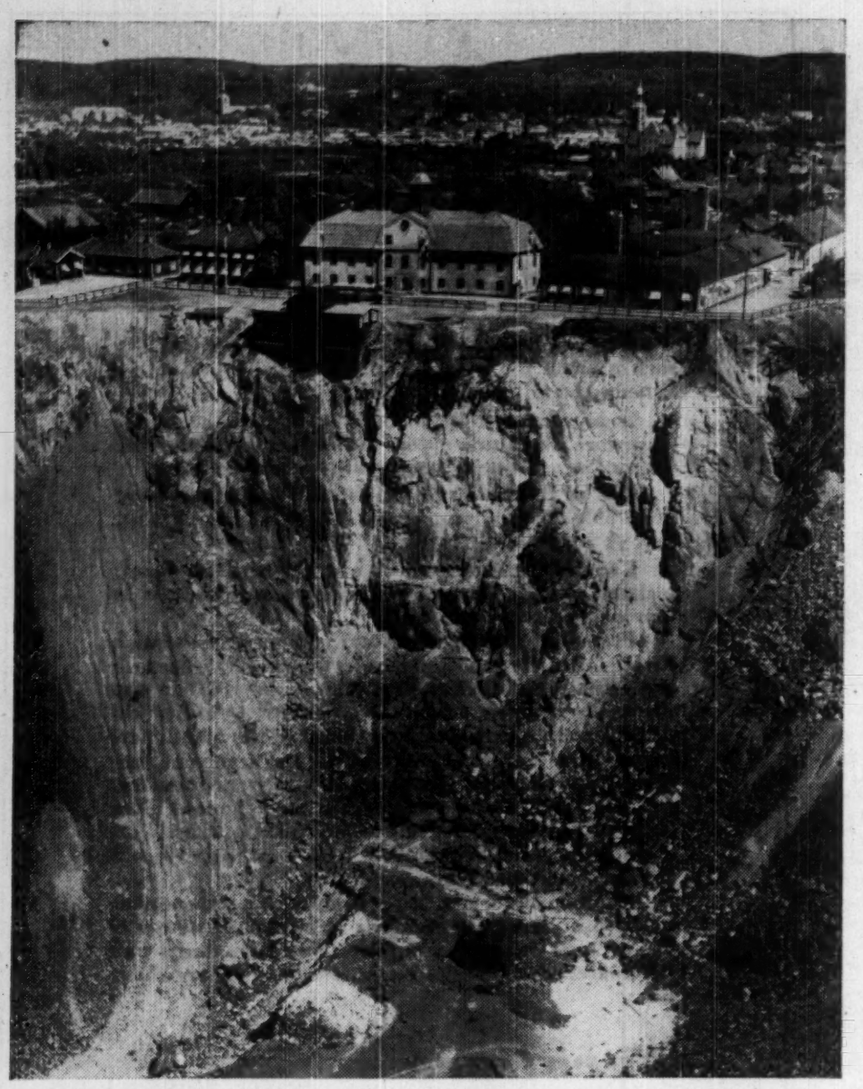
Sweden has also made a notable name in the field of ceramics — porcelain, earthenware tableware, vases, bowls, tea services, kitchenware, etc.

Six major companies account for bulk of production and outstanding design contributions. The firms maintain their own designers and give them a free hand.

Some of the oldest manufacturers in the industry are:

AB Rorstrand Porlinsfabriker which moved to Lidkoping in 1940 to make domestic, art and decorative ware in feldspar china and earthenware and also technical porcelain. They have a labor force of around 950.

AB Gustavsberg Fabriker, Gustavsberg, produces household china, art and decorative ware in bone china, earthenware and faience. The pottery work employs some 450, entire operation 4,500. The company is owned by the Co-Operative Federation.



THE BIG PIT: This is believed to be the oldest mine in the world. Owned by Stora Kopparberg, records of operation date back to the 13th century.

Eskilstuna

Metal Workers Town

The proud little city of Eskilstuna, some 60 miles west of Stockholm, is one of the most concentrated metal-working centres in the world.

Yet its streets and buildings are remarkably clean, and the countryside appears to be making inroads into the city rather than the other way around.

Perhaps more than any other centre in Sweden, this area typifies the gradual successful development into highly specialized steel operations of a handful of founding artisans working in the middle ages with crude iron and tools.

To count all the metal-working firms in this 60,000-population centre would mean not only visiting the 10 to 12 major firms whose products have come to be known over most of the world. It would also mean trying to count the dozens of small shops — often attached to homes — with only a handful of workers.

One authority places total number of firms in the city—big and small — at close to 220. More than 55% of these are engaged in metal-working operations in one form or another. But bulk of the $100 million annual production pouring out of this city for the markets of the world comes from the dozen major firms.

One thing in common among most of the Eskilstuna companies — they all work with steel and most of them with high-quality hard-tool steels. The city is often called the Sheffield of Sweden because of the specialized production of a variety of tools and particularly table cutlery.

Actually the people aren't too flattered with this comparison, and claim that their city is a good deal cleaner and more attractive than the big English-centred cutlery and tool industry.

The city fathers proudly boast that Eskilstuna was making iron and tools back in the middle ages.

Now it has become internationally associated with high-quality hand tools, precision tools, table flatware, locks and hinges, sporting guns, etc.

A name like **Gense**, for instance, is known widely in Canada and U.S. for high-quality stainless steel flatware; **E. A. Berg** represents good quality tools — wood chisels, hand pliers, screwdrivers, etc.; **Oberg** stands for an amazing range of quality standard and special type steel files; **Stenman** immediately suggests high-quality workmanship and material in locks and hinges; **C. E. Johansson Co.** stands for gauges, micrometers and other instruments for measuring close engineering tolerances. The American automobile, dependent on mass production techniques, profited heavily by the Johansson measuring devices. To the medical profession the name **C. V. Heljestrand** stands for high-quality stainless steel surgical instruments and dental goods, knives and scissors.

Almost every one of the major firms in this busy, yet unruffled, industrial centre has staked its competitive position in world markets on high-quality products.

In some cases today's firms are operated by third, or even fourth generation descendants of the founders. The walls of the board and executive rooms are lined with the photographs or paintings of founders and top company personnel who lived and worked as far back as the early part of the 19th century.

Product quality is being carefully guarded despite compelling cost reasons for cutting corners. Although often undersold in world markets, management has generally firmly resisted the temptation to lower steel quality or hire a higher percentage of unskilled workers.

Since 1938 better production methods, increasing mechanization has boosted volume 95%. In same period labor force has only been raised 15%.

The story of metal working in early Eskilstuna is told in old records left by an order of monks, who were working in iron as early as 1495. At one time in the latter part of the 17th century there were 69 "smithies" operating in the area, making a range of iron products including hinges, locks, hammers, fireplace equipment.

Some of these old smithies with their crumbling iron tools have been carefully restored and this year the town authorities have decided to establish a historical museum in the centre of the city right on the site of several of the early metal workers' shops

Gense — probably the biggest name in Sweden in table cutlery, particularly stainless steel flatware — was the first in the world to develop and market contemporary designed stainless steel flatware. Gense claims no company in this field has a manufacturing program that is copied by so many other people.

The company carries a complete range of cutlery, flatware and holloware items and is the largest manufacturer of this kind of goods in Scandinavia. The company exports some 40% of its production to at least 46 different countries, of which the Canadian market is an important one.

E. A. Berg is Sweden's leading manufacturer of hand tools, exporting over 60% of its total output. The firm is particularly well known in export markets for its wood chisels. Substantial shipments of these and pliers are going to Canada each year.

The company has doubled in size over the past 20 years reflecting chiefly expanding export business. A modern plant was built at Eskilstuna some nine years ago. Today some 350 workers are employed.

C. O. Oberg, founded in 1850, is one of the top steel file makers in the world. This firm makes files for virtually every known use and if it doesn't include a file for a new specialized use it will make one. Recently the company developed a new high-speed, easily handled electric grinder that is expected to make quite a splash in various industrial markets. Selling in Canada for 40 years the Oberg saw file is the biggest volume item.

Aug. Stenman is well known for its locks and hinges and miscellaneous hardware. Today the firm is exporting to some 75 countries all over the world. Total employment is running around 1,100.

Every one of the major Eskilstuna firms has developed certain of their own specialized production machinery. These have generally been patented and distribution rights either taken on by the company or handled through some independent firm.

Almost everyone in the city is associated in some way with the metal-working operations. One is not long in Eskilstuna before realizing that pride in the tradition of quality is strong among the workers as well as management.

Many Products

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One of the largest concerns in Sweden — **Allmanna Svenska Elektriska AB**, ASEA for short—has held a major role in the biggest and most important power projects in the country.

Its accomplishments in high voltage power transmission are still unsurpassed.

ASEA and its dozen or ore industrial subsidiaries manufacture transformers, regulators and almost every other kind of electrical equipment. The three generators built for the Stornorrfors power station in Norrland were the largest ones driven by water turbines.

ASEA is far advanced in nuclear power know-how, is playing a major part in the combined industry - government atomic power program in Sweden.

It has participated in an impressive list of major power and transmission projects in Europe and the Middle East:

The world's most powerful long-distance transmission system—the 380,000 v. line which runs the length of Sweden—resulted from collaboration between ASEA and the State Power Board.

ASEA is furnishing much of the electrical equipment for the Aswan Dam job in Egypt.

It engineered the first transmission of high-voltage direct current under water; the 60-mile line to the island of Gotland.

This direct current system developed by ASEA has been adopted for the transmission of power across the English Channel, and the converter equipment has been ordered from ASEA.

After 10 years of development work in the field of nuclear energy, ASEA is engaged in the designing of equipment for the first nuclear power and heat-generating plants in Sweden.

The list of ASEA subsidiaries and their products is extensive. The majority of the affiliated companies complement the production program of central ASEA in important parts:

- **STAL turbines** with a total output of almost 6 million kw have been delivered to nearly 50 countries.
- **Elektrohelios** manufactures refrigerators and freezers as well as household heating appliances.
- **Svenska Flaktfabriken** has developed for the pulp industry a new type of pulp dryer; has specialized in ventilation equipment generally.
- **Liljeholmens Kabelfabrik** makes rubber-insulated and plastic-insulated conductors, insulated cables, capacitors, etc.
- **Aseasvets** makes equipment for resistance welding, resistance heating, arc welding.
- **Graham Bros.** manufactures lifts, vibrator converters, vehicle lighting equipment, neon signs, etc.
- **Cebe AB** makes lighting fittings, marine and railway electric fittings, bicycle lamps, etc.
- **AB Skandinaviska Elverk:** Construction and operation of power generating and distribution plants.
- **Surahammars Bruks AB** is a steel plant making a broad range of steels.
- **Svenska Turbin AB** makes steam turbines, gas turbines, refrigerating plants.
- **AB Elektromekano** manufactures motors, generators, transformers, switchgear.
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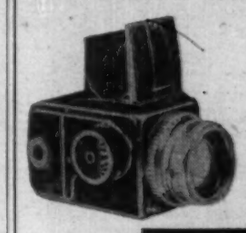

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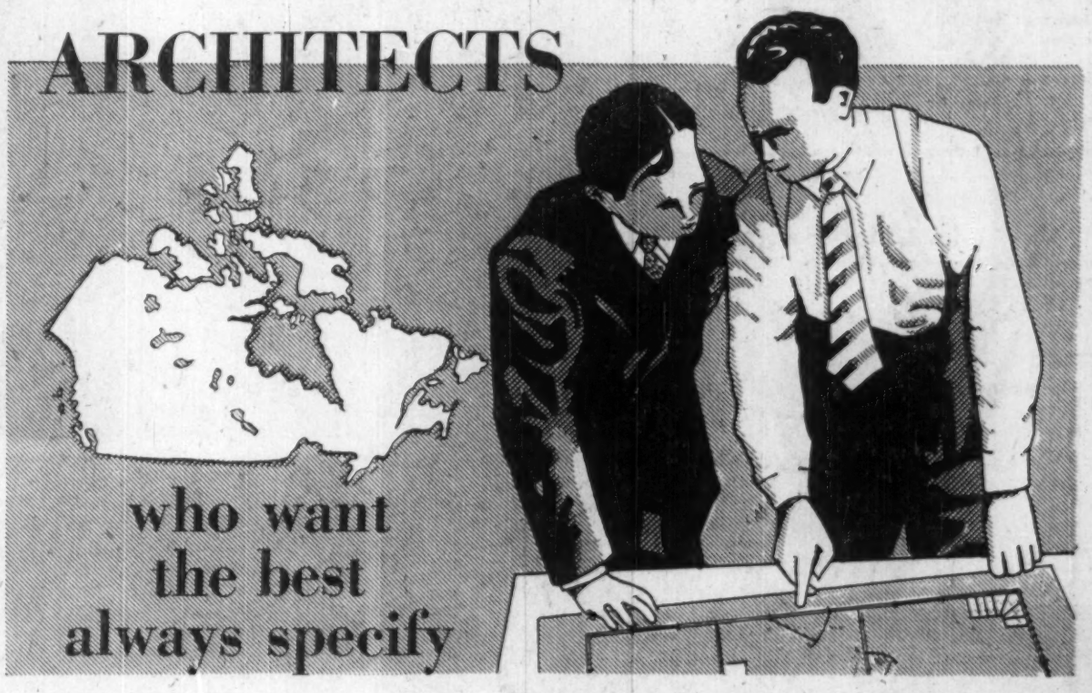

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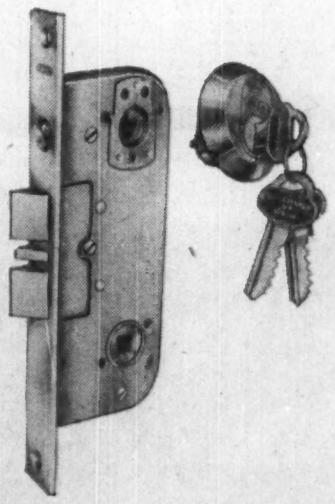

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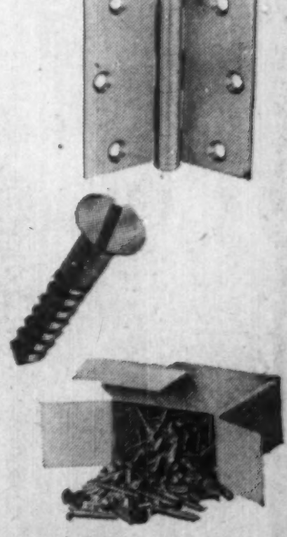

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ASSA

Sweden Maintains a Balanced Economic Growth

Like Canada, Its Wealth is Built on Natural Resources

By L-E. THUNHOLM
General Manager, Skandinaviska Banken, Stockholm.

Immediately after World War II most European countries were busy rebuilding war-damaged industries.

Sweden, which had the advantage of starting off with an undamaged, rather modern industry, faced a large accumulated demand from the domestic as well as the export markets.

The first postwar needs were gradually satisfied. The problem of how to maintain a balanced growth became increasingly important.

The first approach was to determine the likely development of the economy.

Long-term forecasts covering the development of needs and resources over a period from three to five years were thus produced in Sweden and other European countries from 1948 and onwards.

The first Swedish study considered the period 1948-1952, a second 1951-1955 and a third 1956-1960 (including also 1956-1965 for some sectors).

Every estimate of Sweden's future capacity to produce or consume must be based on knowledge of the present standard enjoyed.

The Swedish living standard is the highest in Europe, as measured by gross national income per head.

The Swedish gross national product, which had reached prewar levels by 1944, has during the postwar period grown just as fast as its Canadian counterpart.

This means an annual rate of growth of more than 3½%, a total increase over the whole postwar period greater than any other decade in this century.

The Swedish labor force has, however, increased by only 0.4% annually.

The large rise in production is thus almost entirely the result of increased productivity of labor.

The causes of this favorable development can be split up, in two categories:

- **Changing distribution of labor** from low to high productivity branches.
- **Increasing productivity** within the branches themselves.

There has been a long-term movement of labor from agriculture to industry and the service industries.

This is estimated to account for about one-tenth of the annual rise of 3% in productivity.

The international fluctuations in demand and supply have had a great impact on the Swedish market. In the long run this has brought a rapidly rising price level to Sweden. Efforts to lessen the country's vulnerability to "outside" conditions have been limited by the low liquid foreign exchange reserves and the aim to keep fixed exchange rates.

The Swedish economy is, as most small, developed countries, highly dependent on its overseas trade.

Swedish industries use imported raw materials and fuels and Swedish consumers buy finished durables from abroad. This is one side of the dependence. Swedish industry is also working to export goods.

Swedish production is in fact largely dependent on foreign demand for a number of her principal products.

A few examples showing how large a proportion of various Swedish products were exported in 1957 are given below.

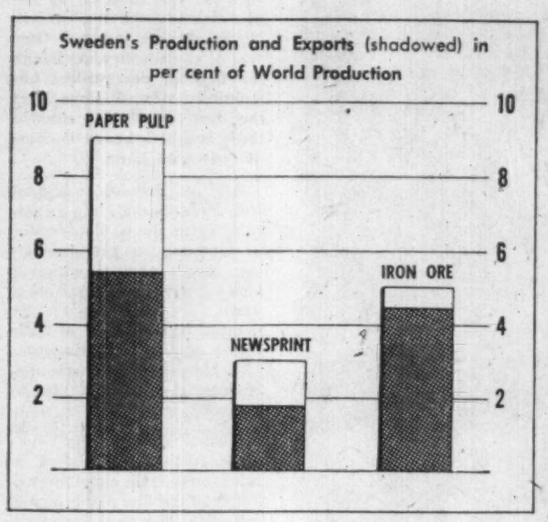
	Exports as a % of total prod.
Iron ore	87
Paper pulp (sulphite and sulphate)	64
Ships (of large tonnage)	64*
Newsprint	59
Timber	ca 50†
Quality steel	50-60
Products of engineering industry (excl. shipyards)	25*
Total exports of goods as a percentage of the gross national product (excl. services)	ca 30

*The composition of the supply of orders in hand in 1957.
†In 1954.

It will be seen from the table that a few products are mainly sold for export.

This applies particularly to iron ore and forest products and also to ships, all these together accounting for half of the value of exports in 1957.

In 1955, the industries concerned employed about 130,000 persons, not including forest workers or raftsmen. Total industry at the same time had about 860,000 employees.



The engineering industry (excluding the shipyards) which in 1957 accounted for over a quarter of total exports, may be estimated to have had about 35,000 employees in 1955.

Despite differences between various branches, the great majority of engineering firms produce for exports.

Sweden spends about a fifth of her income on imports and is able to sell the same proportion of her gross national product on the world markets.

The value of Swedish exports as well as of imports increased six times between 1938 and 1957. The volume of exports doubled over the same period, while imports rose by 80%.

Variation in Swedish terms-of-trade has always been small compared with the experience of other countries.

This is a reflection of the composition of Swedish overseas trade.

Both Swedish exports and imports are divided more or less equally between raw materials and finished goods.

Exports are dominated by forest products, which account for 40%-45% of the total value. There has been, however, a rising proportion of machinery, instruments and transport equipment and a corresponding fall in the proportion of semi-finished base metal products. Imports include a wider range of goods.

Although raw materials and fuel dominate, machinery, transport equipment and consumers' goods have taken a growing part of the import value.

Sweden has usually an export surplus with U. K. and import surpluses with Western Germany and the U. S.

In the postwar period this export surplus has been sharply cut down and the import surpluses raised.

Although this unfavorable trend has been partly offset by increasing surpluses in exports to other EPU-countries, Sweden has since 1954 had deficits in her balance of payments.

The present recession has pressed the volume of exports down, but fortunately import prices have fallen enough to prevent the balance of trade to deteriorate.

It will probably take some time before overseas trade will continue to expand along the steep trend laid out during the last 12 years.

In the long run there are, however, some factors that will promote a further rise in Swedish exports.

The growing world consumption of steel and of paper products, for example, augurs well for Swedish iron ore and forest products.

Before making a forecast it is, of course, necessary to know about capacity to produce in various branches, to find out bottlenecks and to examine the potential rate of capital formation.

The latest forecast made for the period 1955 to 1960 was presented as a discussion of several possible alternative developments.

There are two alternatives discussed. One assumes an increase of 20% and the other of 15% in the gross national product between 1955 and 1960.

Although the present Swedish gross investment quota of 20% is high from an international point of view, **there are large accumulated needs for investments in housing, waterpower stations, roads, mental hospitals, etc.,** which can only be met by raising the capital formation quota.

This would mean that private consumption could expand only by 6% or 12% according to the two alternatives presented.

Government consumption is on the other hand expected to grow by 20%. The recommendations made by the committee preparing the forecast have been heavily criticized as unrealistic.

This applies especially to the assumption of a slow increase in private consumption.

Although only half the period has gone, it might be possible to discuss to what extent the forecast has been right. It is, however, impossible now to estimate the influence of the present recession on the outcome in 1960.

Most of the economic aggregates seem to have developed along a trend halfway between the upper and lower alternative of the forecast.

This applies to gross national product, private consumption and government consumption.

The number of flats built have already exceeded the rate suggested by the committee and the same applies to exports and imports, which already in 1957 reached the 1960 level, 20% and 12% above the 1955 one.

It is impossible to say anything about the outcome of industrial investments. They fluctuate too much and the development has up to now been rather discouraging, although estimates for 1958 indicate a rather good improvement on earlier years.

Their development in 1959 is not expected, however, to be anything like a boom. Private and government investments in waterpower stations are going according to programs and the same applies to investments made to rearrange the iron ore mining.

Private and government interests are also behind large re-forestation projects. A temporary fall in demand for forest products has made such investments necessary to prevent a drop in employment.

The forecasting committee is especially keen to underline the importance of the distribution of investments.

To help maintain a most favorable distribution it is necessary to keep production resources mobile. The consequence of this should be that capital formation in machinery and buildings should be made rather short-lived — assuming the same net rate of return as for the long-term investments.

Changes in the pattern of profitability would thus have faster influence on the capital formation. This point of view might get increasing consideration in a period when European trade agreements are coming into force, as this will lead to completely changed conditions for Swedish producers.

It has to be underlined that investments made in education and especially in technical and scientific education are supposed to be as important as other investments. The slow increase in labor force must lead to a more rapid increase in their skill and thus in their productivity and living standard.

In common with Canada, Sweden's wealth is built on its natural resources in the form of water power, iron ore and forests.

While the latter two are mainly exported and thus giving access to foreign products as machinery and raw materials, the former is one of the main domestic productive resources.

Sweden has hardly any coal at all but is fortunate enough to possess immense reserves of water power of perhaps 80 billion kwh.

At the beginning of 1958 27.6 billion kwh were utilized and in 1960 it is expected that the figure will have risen to 34.4 billion kwh.

The Swedish producers of electricity make detailed forecasts of the possible future trends of demand, forecasts reaching both five and ten years into the future. The latest forecast expects a yearly rise in consumption of 7%.

With a rate of exploitation satisfying such a rise available reserves will be used up in 15-20 years.

This might stress the necessity of developing the atomic energy using the large Swedish slate resources as fuel. The exploitation of the water power might, however, be hampered in various ways.

In the first place it puts great demands on capital and can for this reason be cut down because of capital scarcity.

The heavy costs involved in exploiting Sweden's water resources is illustrated by the fact that it accounts for about 25% of the industrial investment costs. The increase in energy requirements could be satisfied by imports.

A slowing down of the exploitation of the water-power resources leading to an increase of substitutable steam-power would mean, however, that the cost of producing electricity would rise.

Another factor which might hamper the exploitation of water power are the efforts put in to protect the national beauty of Sweden. It has been requested that about a third of the non-utilized resources should be maintained in their present shape.

In Sweden the mining of **iron ore** began at a very early date and the Swedish assets of iron ore were the foundation of the country's industrial development in the eighteenth and nineteenth centuries.

In total the Swedish iron ore deposits do not represent more than about 6% of the total known assets in the world.

Swedish iron ore is, however, of considerably greater importance internationally than this figure implies, and the Swedish share in the value of international trade in iron ore lies somewhere between a fifth and a quarter.

This can be explained by the fact that **most iron ore is refined in the country of origin.** This is the case both in North America and Europe. Furthermore the Swedish iron ore has an exceptionally high Fe-content — on the average over 60% — which is a very high figure compared with other European ores.

Besides, the iron ore mines are very favorably located, as far as transport is concerned, close to the most prominent importing countries in Western Europe — Western Germany, U. K. and Belgium.

Approximately 9/10ths of the mined iron ore is exported. At the present rate of production the known resources of iron ore in Sweden can be expected to last for one to two hundred years more.

Since 1957 the Swedish government has practically been the **sole** owner of the largest mines, which are situated in the most northern part of the country.

Production of iron ore exceeded 20 million tons in 1957 a figure which represents a rapid increase during recent years.

Through increased production in the Lappland ore fields and in the south of Sweden (Bergslagen) the production capacity will in 1965 have risen to 23 million tons or more.

To achieve an even more rigid increase new deposits must be exploited.

Up to the present time a considerable proportion of the production in Kiruna, which is one of the most important ore fields in Sweden, has been in the form of open pit mining, but in 1963-65 there will be only underground mining.

Some 57% of the area of Sweden is covered by forests and total timber assets are calculated to be over 60 billion cu. ft.

Annual growth is estimated at 2 billion cu. ft., while at the moment about 1.4 billion cu. ft. are felled every year.

Only a minor part, perhaps 15%-20%, is utilized as fuel and the main part finds its way to saw mills and the cellulose industry.

The future growth of forest is relatively easy to estimate also from the long-term point of view.

The supply of raw materials seems now to be considerably better than was formerly expected.

The increase in the supply of raw material will probably be utilized by the pulp and paper industry, as the demand for their products can be expected to increase considerably in the future.

Sales are, however, to a great extent dependent upon foreign demand due to the fact that the main part of production is exported.

As far as the prospects for demand is concerned the experiences in North America have been of great value. It can be expected that the development of demand in Europe will follow the same course as that in North America, which has been the case in so many other instances.

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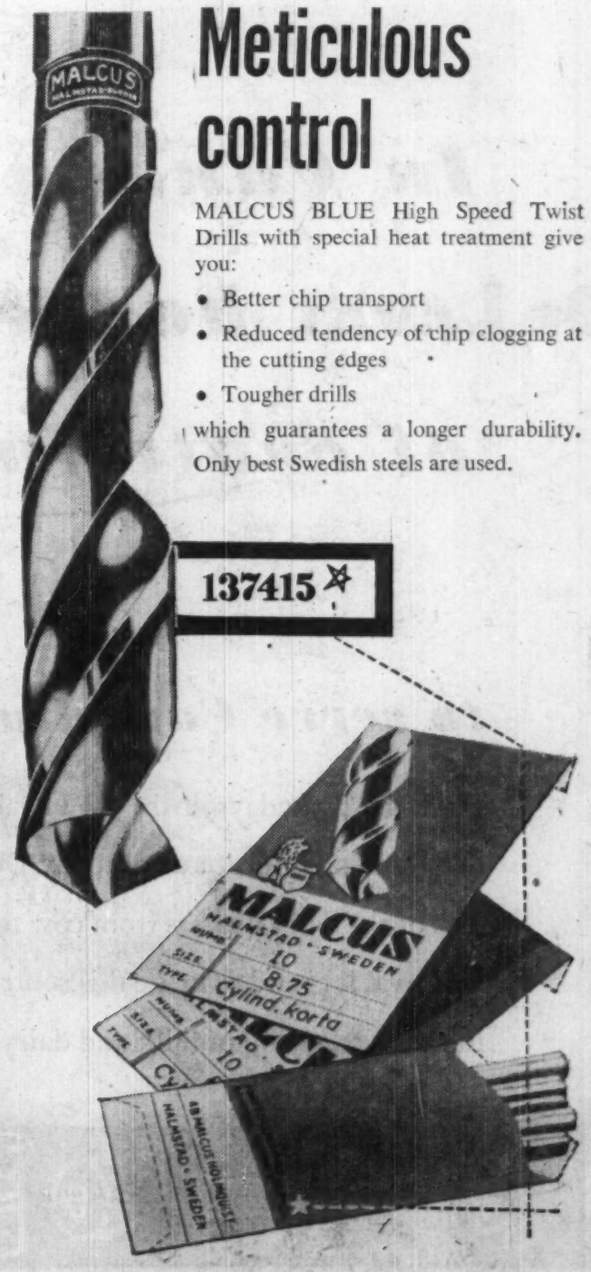

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Sweden's rapidly expanding shipbuilding industry is pushing on to a new tonnage output record this year of over 700,000 gross tons.

On July 1 of this year the industry had orders on its books for 258 new vessels representing a total tonnage of just over three million.

At present near-capacity operating level this means a little over four years work ahead for Sweden's two dozen or more shipyards.

The emergence of Sweden as one of the world's major shipbuilding nations is a relatively recent development.

It was only after World War I that it began to develop into a significant industry. It has grown almost every year since that time with the most dynamic expansion phase starting in the middle of World War II.

At that time the Swedish yards were launched on an intensive building program for the Swedish navy; at the same time it was trying to replace merchant ships sunk in the war.

By 1946 the merchant fleet had been largely replaced and had then gone on to order larger and faster vessels.

Three of Sweden's major shipbuilding companies are among the largest in the world **AB Gotaverken,** Gothenburg, **Eriksberg,** Gothenburg and **Kockums** at Malmo. All three are operating at capacity levels on a wide range of orders with tankers predominating on the order books.

Two recent important industry milestones:

● **Last month the big Kockums shipyards at Malmo in southern Sweden delivered the largest vessel ever built** in Scandinavia — the 40,000-ton Bideford for the **Bideford Tanker Co.,** London. This is believed the largest existing vessel to be 100% welded. Riveted crack-arresters, usually prescribed for ships of this size, have been supplanted by welded bonds.

● **The keel of an even larger ship — a 65,000-ton tanker — has been laid at the West Coast Sorvilsvarvet** yard of the **Uddevallavarvet** company. This is the first in an order of six.

Two big factors in the rapid postwar development of Sweden's shipyards have been the steady expansion in the country's foreign trade and the presence of a highly developed supplier industry in the country.

The pre-eminence of Sweden in diesel engine manufacture has been an important contributing factor in the ships' power field.

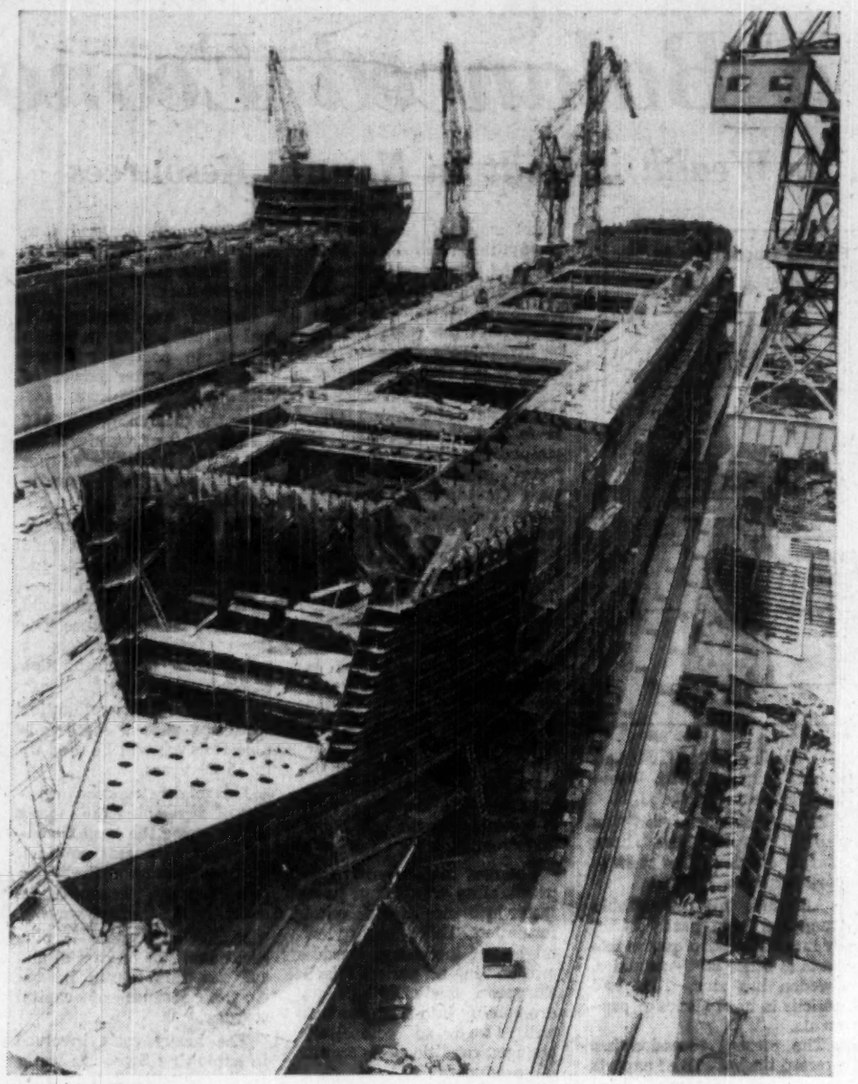
Some of the largest marine diesel engines in the world are made in Swedish engine shops. **Nydqvist and Holm AB,** at Trollhatten on the West Coast, for instance, turn out compact marine diesels with highly rated fuel economy.

With some of the larger vessels requiring steam power such firms as **De Lavals Angturbin,** Stockholm, has experienced a steady increase of orders in the turbine field.

The well-developed supplier group in Sweden, furnishing auxiliary engines, storage batteries, chains and other equipment, has facilitated rapid construction times for ships and better control over quality.

One weakness in the supply picture is the lack of sufficient domestic capacity to make ship's heavy steel plate.

Although the Domnarvet mill of **Stora Kopparberg** and a couple of other steel mills are able to supply a growing part of requirements approximately two-thirds of all ships plate has still to be imported.



A 20,000 TON bulk carrier under construction at one of Sweden's biggest shipyards, Kockums at Malmo.

At least one major Canadian steel producer has participated in part of this Swedish plate business.

Burdened with probably the highest wage rate in Europe, Swedish shipbuilders have spurred their rationalization programs in their yards. Capacity has been steadily increased without any appreciable expansion in worker force.

The total number of workmen employed in shipbuilding, repairing and marine engineering in the Swedish yards amount to only around 23,000.

Close co-operation between the ship owner, the manufacturer and the suppliers have resulted in some outstanding accomplishments in ship design and equipment. **Trafik, AB Grangesberg-Oxelosund,** for example, which carries a large part of the iron ore exports from the huge Lapland mines in northern Sweden, has found a combination ore and oil carrier a highly efficient way of doubling the payload on trips. The first of these were launched in 1944 and now many such are in use in various parts of the world.

The **Brostrom shipping** concern—largest in Sweden—to which belong the **Swedish American line, the Swedish East Asia Co., AB Tirfing** and the **Swedish Orient** line, has been a steady customer for welded dry cargo vessels and tankers. So have the big **Johnson Line** of Stockholm, whose shipping activities extend to both North and South America.

Swedish shipyards have been far less affected by repercussions from the current freight market recession than that of any country. **Although the flow of new orders has definitely slowed down over the last couple of months there is still a heavy backlog** of orders on hand.

All of Sweden's biggest ship builders maintain extensive engine shops. Gotaverken at Gothenburg produces its own diesel engines which it also supplies to several other yards. Eriksberg is chiefly making **Burmweister & Wain** diesel engines and Kockums (Machinenfabrik Augsburg-Nurnberg) diesel engines as licensees.

Kockums Mekaniska Verkstads Aktiebolag—known as Kockums—is an excellent example of the fine planning and dynamic postwar expansion record characteristic of the Swedish shipbuilding industry.

As a result of careful production planning and some courageous expansion moves the company was able to lead the world in production of dead-weight tonnage in 1951 and 1952. Later, as some of the older competitor companies in other parts of the world—particularly the Japanese—were able to complete postwar expansion programs they were surpassed somewhat.

Last year Kockums was ranked 12th among the large shipbuilders of the world.

Kockums present orders aggregate 31 merchant vessels of about 900,000 tons comprising 22 tankers and nine dry cargo vessels.

The output has for some years been below the 200,000 ton level but this year is expected to reach a new peak of 237,000 tons as a result of building larger vessels and general improvement in building methods.

Grangesberg Sees Ungava Potential

Trafik AB Grangesberg — largest exporter of iron ore out of Sweden—has looked long and carefully at plans for entering the Canadian iron ore picture.

Company experts have been particularly interested in the big unfolding Ungava ore development along the south shore of James Bay. They have visited the huge deposits of low-grade ore and studied plans to share financing of the ore body into production with other major interests.

After weighing the obvious attractiveness of getting into such a huge operation against certain drawbacks in the undertaking — particularly the shortness of the shipping season — they decided to abandon any plans of getting into the Canadian picture at this time.

Instead, Grangesberg is committed along with American interests in developing a rich iron ore property in Liberia, West Africa. Estimated production from this high-grade iron deposit is some 10 million tons annually.

But Grangesberg—in a big expanding program—has two other major undertakings under way:

● **Construction of the largest steel rolling mill in Sweden**—a $110-million project at Oxelosund, on the east coast, to make heavy ship's plate.

● **In a big move to virtually double the tonnage of its ore fleet** the company has some 14 new ships on order for delivery before 1961.

Company will also be soon bringing into production another new iron ore mine at Strassa in central Sweden.

The bulk of Grangesberg's annual ore production of around 1.7 million tons—to be raised to 2.2 million next year—has been exported, mainly to central Europe and for some years to U.S.

But the U.S. shipments have been dwindling and will be cut off entirely this year. This has resulted from a combination of lower steel production there and replacement of Swedish ore with Canadian and other foreign ores.

The extraction of iron ore has been going on in Grangesberg in central Sweden ever since medieval times. But it wasn't until the end of the 19th century that the ore deposits acquired real value.

Grangesberg ore contains phosphorus and not until the advent of the Thomas process could it be used in steel production. The ore has ever since been the company's foremost natural asset and a basic factor in its transport operations.

Up to Oct. 1, 1957, the company owned half the shares in the company operating the huge Kiruna ore deposits in Lappland. But last year the Swedish government exercised its right to buy out these shares—at a sale price to Grangesberg of $200 million.

Grangesberg now only holds 4.25% interest in LKAB's stock. However, the ore marketing of the two companies is still managed jointly, being carried on by a special company.

The shipping business of the company fits in naturally with company's other activities—and particularly with its mining operations.

Company ship tonnage at the present time consists of 29 vessels with a combined deadweight tonnage of 377,835 tons. One factor behind the large increase of new tonnage is State purchase of the company's LKAB shares.

In that deal Grangesberg undertook to continue in the future to supply the shipping to carry all ore sold by LKAB on a CIF basis. Since a substantial increase of LKAB's ore extraction is being undertaken that means more

(Continued on page 69)

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to serve Canadian industry

whether it is the removal of seeds from tomato juice or recovering valuable ingredients from waste materials, in fact in all applications where the use of centrifugal force is practical, De Laval has developed methods and machines to increase efficiency and improve the product. De Laval takes pride in contributing to Canada's growth and development by the power of centrifugal force.

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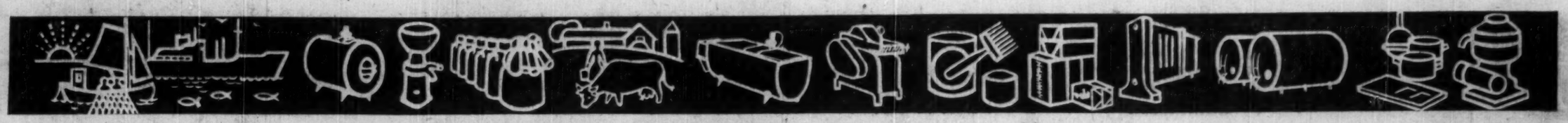
1893 1958



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Electric Power

Must Depend on Hydro

Sweden has cause for both satisfaction and concern on her energy front.

With no petroleum and only small supplies of second-rate coal she has had to depend on her water-power resources for development of electricity.

Her record in this respect has been remarkable.

With some 75% of the water resources in the northern part of the country close to the Arctic Circle and bulk of the demand area in central and southern Sweden, 600 miles and more to the south, the power transmission problems looked insuperable.

Because of dissipation of power in transmission these distances at first appeared too great for economic development.

But Swedish engineers overcame the problem with construction of the world's longest high-voltage line, a 380,000-v system running virtually the entire length of Sweden.

The new lines not only have two to three times the transmission capacity of previous 220,000-v lines, but power losses are lower.

Power experts from most of the countries of the world have come to study this Swedish system.

Today Sweden is among the world's largest consumers of hydro-electric power — a peak 29,000 million kwh last year.

Only Norway has a clear lead over this. Canadian consumption on a per capita basis is running neck and neck with Swedish. Industry is by far the greatest user of this power in Sweden, taking over 60% of it.

Electrified railways and streetcars use another 8%. The remaining retail consumption is expanding rapidly and today only the most isolated dwellings are without electric power.

Yet despite this remarkable story imports of other costly fuels — mainly petroleum — have been increasing. Last year oil imports cost Sweden some $320 million, a costly drain on her foreign trade resources.

But here is what is causing the main concern: Although extensive, the potential hydro resources are far from inexhaustible.

With the completion of several major power developments now under way in central Sweden **there will be virtually nothing exploitable left in the southern half of the country.**

Most of the additional power would have to come from the north. There, all the most economic projects have already been developed.

Power experts sound an ominous note in Sweden today. If annual consumption of hydroelectric power continues to increase at the current rate of around 6% to 7% the country's water power available for exploitation will have been fully utilized within 15 to 20 years, they warn.

Not only that: **But cost of electricity is rising steadily. The average price to industry, for instance, has increased 35%** since 1953 and is due for another rise soon.

In other words, one of the most important advantages enabling Swedish industry to remain competitive in world markets — low-cost electric power—is rapidly disappearing.

But government and industry authorities are alive to the implications. This has spurred the unusual efforts—probably the greatest among the small nations — in the nuclear energy field (see story p. 55.

The power business in Sweden is an interesting "co-operative effort" between public authorities and private enterprise. **The State Power Board** operates the trunk transmission lines (a number of private companies provide the generators, turbines, transformers, cables, etc.).

Private industry supplies about half the power requirements usually from smaller plants. Among these are several networks built and operated by single companies — **Stora Kopparbergs Bergslags AB** and **Uddeholm** are just two of these. Others are combinations of municipal and private power companies serving other large areas in southern and central Sweden.

All the major sources of electric power, however, are co-ordinated in a voluntary organization under the direction of the government, for most equitable distribution of power throughout the country.

One of the most remarkable new developments just brought into first operation in Sweden is the State Power Board's underground station at Stornorrfors. For sheer size of underground construction it exceeds anything undertaken so far.

The three, ultimately four, alternators have a capacity of 150,000 kva, the largest units so far constructed.

The station is located on the Ume River about 12.5 miles inland from its outlet into the Gulf of Bothnia.

This river system (in which Stornorrfors constitutes the major downstream unit) will, when fully developed, provide a storage capacity of 6,500 million cubic yards.

About 20 power stations will eventually be constructed along the river and its tributaries, producing a total of about 8,000 million kwh or more than 25% of the present Swedish output. The annual production of the Stornorrfors plant alone will be around 1,900 million kwh.

Another outstanding power development being carried out by private industry is the Trangslet project in west central Sweden.

Here a well-known integrated Swedish mining, steel and forest industry concern—Stora Kopparbergs Bergslags AB — is building what is expected to become the world's highest power dam of the rock-fill type. An artificial lake some 45 miles long and three-quarters of a mile wide will be created. The dam will be connected with a power station blasted into the rock 400 ft. below the dam. The first turbine will be installed next year.

The three units when installed will together produce about 650 million kwh annually.

A special problem in connection with the Trangslet project is the very large number of logs floated in the Osterdalalven river — the river to be dammed back for power purposes.

Some three million logs annually pass through the Trangslet falls. A special tunnel three miles long has been built for the passage of the logs through the rock below the dam and the power station.

Grangesberg Looks At Ungava Ore

(CONTINUED FROM P. 68)

shipping tonnage to carry it to markets. The expansion of the fleet will also enable the company to increase its share of the general freight market.

For many years Grangesberg operated a port at Oxelosund on the east coast. But in 1955 company built a large plant there for producing sponge iron, a halfway step in the production of steel. Then followed the incorporation of the Oxelosund glassworks and ironworks. The next step is the new project to roll heavy plate for ships' construction.

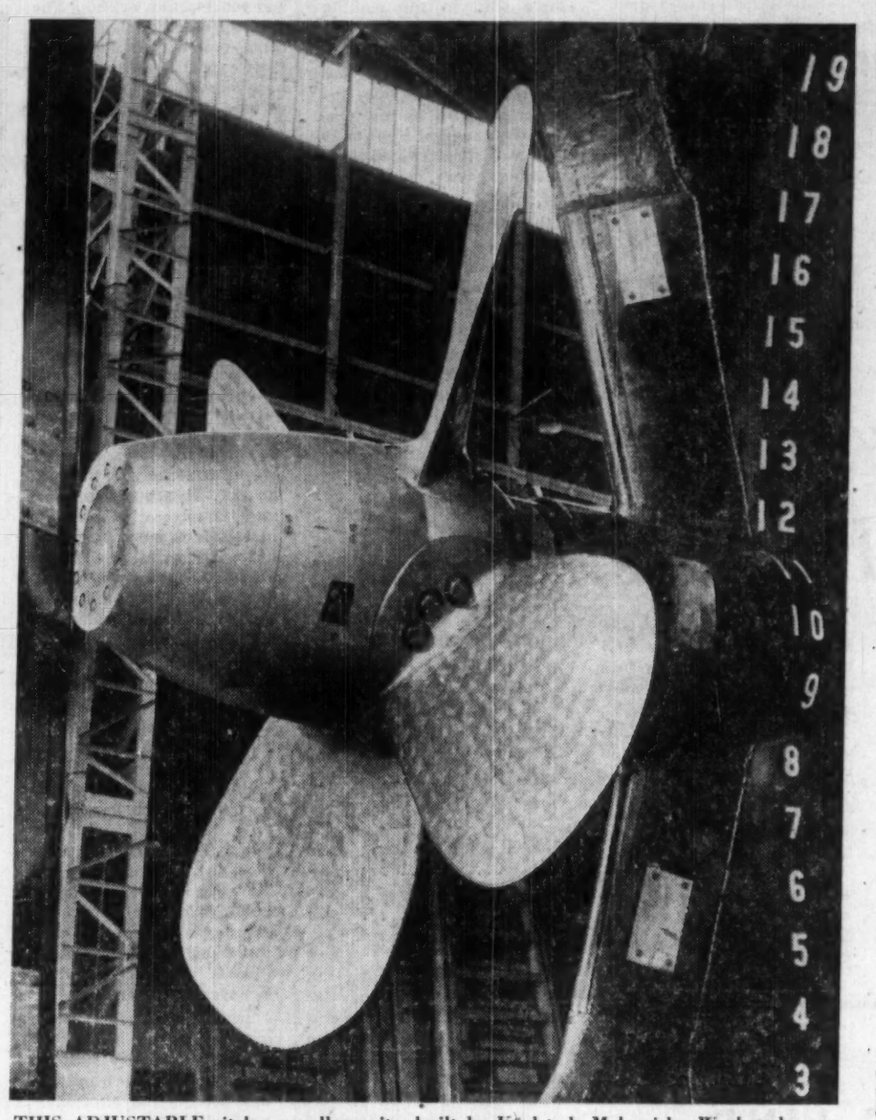
The company also owns and operates a railway from Ludvika that links Grangesberg with Oxelosund.

Grangesberg also has an interest in production of fuses and electric igniters through its shareholding in **AB Nora Tandrorsfabrik.**

To supply its own requirements the company has developed its own water power sites and is part owner of other power undertakings both in Dalecarlia and Norrland provinces.

This widely diversified organization also includes forests and farm properties. These cover some 37,000 acres.

In all, the Grangesberg company employs some 6,500 persons and through its widely diversified operations in several parts of Sweden plays an important part in the whole industrial life of the country.



THIS ADJUSTABLE-pitch propeller-unit—built by Karlstads Mekaniska Werkstad—can be altered while still turning and the ship can be driven forward or aft without changing the direction of the rotating machinery.

Adjustable Screw For Cdn. Ship

The biggest ocean-going dry-cargo vessel to be built in Canada and probably the largest constructed for both ocean and Great Lakes traffic, the 20,000-ton Alexander T. Wood, has been provided with a Swedish KaMeWa adjustable-pitch propeller.

The vessel was built by **Canadian Vickers Ltd.**, Montreal, for **Westriver Ore Transports Ltd.**, of Montreal. She will serve as an ore-carrier during the summer and as an ocean freighter during the winter.

The KaMeWa propeller, built by **AB Karlstads Mekaniska Werkstad**, part of the Johnson Group, was chosen as the most suitable type after careful investigation into the technical and economic aspects of the ship's operation. The feature of the adjustable-pitch propeller is that the pitch of the blades can be adjusted while still turning, direct from the operation panel in the machine room or on the bridge.

This means that by varying the pitch of the blades the vessel can be driven forward or aft at any speed from full to dead slow or be brought to a quick stop and reversed, all without change in direction of rotation of the propulsion machinery.

The first KaMeWa propeller was installed on a small coaster in 1937. Since that time K.M.W. has sold well over 300 of these propellers to ships over most of the world.

K.M.W., located at Karlstad in Varmland in south central Sweden, manufactures three main products and considerable export has been done with Canada on all three: a broad range of machinery for the pulp and paper industry, water turbines and ships' propellers with controllable blades.

Total output of company's Kaplan turbines up to the present time amounts to more than 7.5 million hp.

Approximately 2,150 people are employed at company's two plants — one at Karlstad, the other at Kristineham, 30 miles east of Karlstad.

A top is spinning across a floor. A boy is watching intently. Time stands still while his little toy rotates according to the principle which stabilizes the universe itself. But rotation does more than stabilize. Rotation is a source of power developing centrifugal force.

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How Sweden Compares

	Canada	Sweden
Population	16,589,000	7,367,000
Area (sq. miles)	3,851,113	173,436
Gross National Income (million dollars)	31,443	11,282
Crude Steel Production (Tons)	4,572,000	2,448,000
Iron Ore Production (Tons)	20,232,000	19,920,000
Chemical Pulp Productions (Tons)	4,046,000	3,627,000
Newsprint (Tons)	6,396,500	475,908
Electricity Production (millions of kwh)	7,521	2,414
Construction (dwelling units)	117,288	48,684

Steel Industry

Imports Over Exports

Sweden is known all over the world as a producer of high quality steels; steels that end up in hundreds of specialized applications ranging from watch springs to giant locomotive parts.

What is not so generally known is that Sweden is really a net importer of iron **and steel.** Last year for instance total imports of iron and steel amounted to 813,000 tons. At the same time exports amounted to only 382,000 tons.

Here is the explanation. Sweden's fine steel-makers export the bulk of their product—around 60%; whereas there is a sizeable import of the ordinary commercial steels to supply the home market.

On a dollar basis, of course, the extensively processed fine steels that go into razor blades, watch springs, auto valve parts, mounts a good deal faster than the commercial steel exports.

Among the specialties that have kept Sweden's name to the fore as a steel producer are cold-rolled strip and drawn wire.

Companies like **Fagersta, Hellefors, Sandvik** and **Uddeholm** export up to 80% of the output from their cold-rolling departments.

Cold rolled strip, for instance, appears in all sorts of uses from conveyor belts to springs in ladies' watches. It becomes saws, is used in typewriters, textile machinery, telephones, adding machines.

In relation to population more stainless, acid and heat-resistant steel is produced in Sweden than any other country.

Such steels require considerable skill in the making and that is just where Sweden's steel-makers feel they can best compete.

Watch spring steel, for instance, is rolled as much as 40 times, annealed eight to 10 times and given two or three polishing passes.

In thicknesses down to 0.2 millimetres, it is made for the most part to tolerances of two thousandths of a millimetre. But it finishes up almost worth its weight in gold.

The main outlets for Swedish special steels are in highly developed countries with major steel industries of their own — U. K., U. S., Western Germany and France. But most of the countries of the world import some special Swedish steel.

Canada is also an important customer for Swedish manufacturers of fine steels. The two main imports are cold strip and rust proof sheets.

WHAT WE IMPORT

	(1957) $
Cold strip	217,265
Sheets Rust proof	300,042
Seamless pipe	253,213
Bars Billets	75,839
Bars Billets (Cold rolled)	23,942
Sheets tempered for saws	83,149
Sheets not tempered for saws	71,395
Iron or steel wire	43,602

Chief export products to the world are wire rods for special purposes, tool steels ranging from high carbon to high alloy steels; cold rolled strip for a wide variety of applications and stainless steels of all kinds for hundreds of applications in the home and industry.

More than in any other country the chief Swedish steel makers not only make the basic steel but work it up into a variety of semi-finished and finished forms. Actually most steel producers carry out the entire iron-to-steel process, mining their own iron ore, making their own iron in the blast furnace and carrying it on to steel in the open hearths or electric furnaces, rolling it and finishing it. This provides excellent opportunities for controlling quality and introducing all the cost and efficiency advantages that come with close integration.

But Swedish fine steel makers who have enjoyed a long market growth period, unbroken by two world wars, are now being increasingly challenged on world markets by the steel makers from other countries; from West Germany, U. S., Canada, U. K. These producers have had a chance to develop in recent years and profit from the postwar business boom. Now as demand in their domestic and closest export outlets has leveled off they are more aggressively seeking to develop business in wider export areas.

Although loss of some of their export outlets — often representing a lot of relatively small orders which in total means a sizeable amount of business — is a serious blow, Swedish steel makers feel they can still hold bulk of their markets through uniformity of quality.

The industry worked close to capacity from the end of World War II right up to 1957 with the exception of part of 1954. Although tempo of orders started to fall off the latter half of last year a sufficient backlog of orders had been built up previously to carry the industry through the year at a high capacity level. Actually output was virtually unchanged from the peak 1956 year.

This year export business is down some 10% and domestic demand is also moderately below 1957. But most mills are still operating at a fairly high level of capacity. One or two of the special steel producers, however, who depend heavily on export have had to cut back operations, particularly in cold rolling departments. This is having no appreciable impact on expansion pace of the industry. **Capacity is still being stepped up. The largest project at present is the steel and heavy plate mill which the Grangesberg group is erecting at Oxelosund. When this is completed—in about 1961—it will have an annual capacity of about 300,000 tons of ships' plate.**

In recent years several of the major steel producers have added a very important new product—tungsten carbide parts. The main application is carbide tipped hollow steel drills used in mine and construction drilling. The tungsten carbide bits have become one of the industry's chief export items to Canada. Last year $485,000 of tungsten carbide inserts were sent to Canada. Sandviken, Uddeholm, Fagersta, Hellefors are just four of the chief firms engaged in this field.

The commercial steel industry is not nearly so developed in Sweden although recently there has been added stress on this long-neglected division. Actually the few Swedish producers of basic iron and steel shapes for general sale cannot begin to look after the domestic requirements. Merchant iron, including building steels, beams, rails, and sheet, is consumed largely by the home market. But peak iron and steel imports of 813,000 tons in 1957 included a major part of just these basic steel forms. Canada exported $490,000 of steel strip, sheets and plates in 1957 to Sweden; also $26,000 of steel bars.

Pure local ores still remain the basic factor in Sweden's production of special steels, although these are not quite as important a consideration as they used to be. Considerable quantities of ore can be mined which are practically free of all impurities, with phosphorus and sulphur content unusually small. Now, as well, concentrates equally low in phosphorus, can be produced from highly phosphoric ores by a leaching process developed by the Grangesberg company.

In Sweden the big problem over the years has been to find a satisfactory substitute for charcoal pig iron which has become too expensive a product in recent times. This has led to development of sponge iron. This is used mostly to replace charcoal iron and scrap in acid open-hearth and electric furnaces. It is an excellent raw material for making the whole range of special and quality steels. Stora Kopparberg after some years research introduced a most promising new sponge iron process at its Soderfors plant in 1941. Plants of the Soderfors type have recently been built by Hellefors, Hofors, Sandviken and Uddeholm. Some other companies purchase their sponge iron requirements.

In Sweden today the electric furnace leads over all other steelmaking processes. Nearly half the steel is made in this way with practically every plant in the country having one or more electric furnaces. Even Domnarfvet, the biggest steel plant in Sweden, makes extensive use of electric power. Domnarfvet is also the main producer of commercial steel grades.

But advancing steel-making techniques and rising labor costs pushed a major program of modernization and expansion on the industry after the Second World War. Capital investment during the most intensive period of expansion — 1948-1952 — amounted to over $100 million. Some dozen plants were involved in this thoroughgoing and continuing program. One company, for example, has been able to double capacity in rolled products with an addition of only 10% to the work force. Productivity at another has doubled since 1935; at a third, strip mill output per man hour is four times greater than before.

As a result of this big program steel ingot capacity has been expanded around 60% since 1947. At the same time rolling capacity has been boosted in line, so that today the industry is operating mostly a new plant. Although the capacity for turning out special steels is greater than ever, the added output is going chiefly to ordinary types to replace steel that had formerly been imported for the home market.

Consumption of iron and steel in Sweden is expanding rapidly with the increasing boom and diversity in machine-making plants. Consumption was 2.15 million tons last year which makes Sweden one of the heaviest steel user per capita in the world.

Among the most important of the Swedish iron and steel mills, next to Domnarfvert, which has specialized in commercial steel, is Sandviken (highly refined special steels), Uddeholm, Fagersta and Avesta (stainless and other alloys). The industry employs over 30,000 workers, most of them concentrated in the industrial area in the middle of Sweden.

SWEDISH CHICAGO LINE

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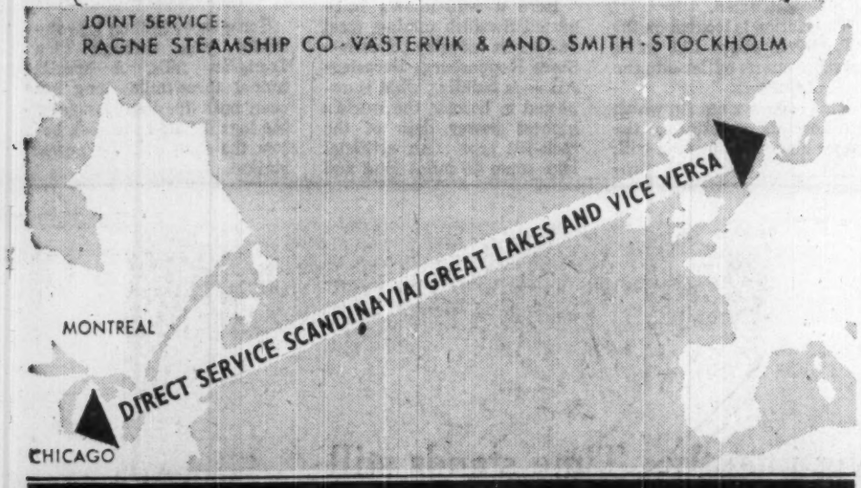

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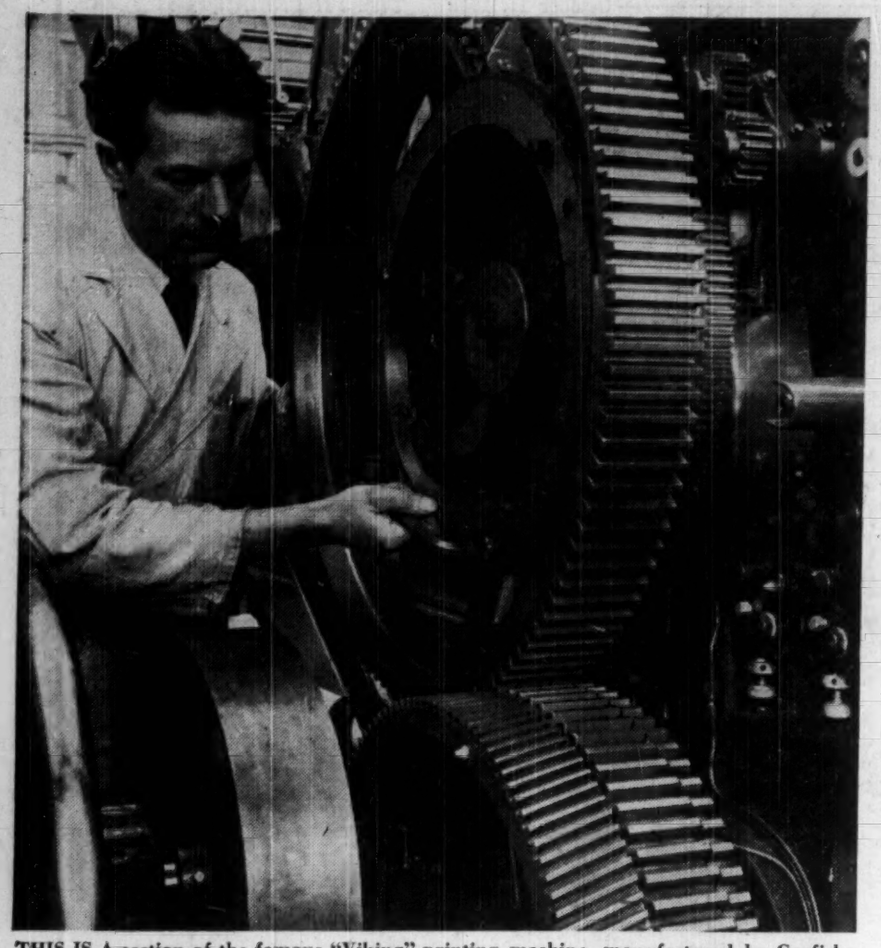


THIS IS A section of the famous "Viking" printing machine, manufactured by Grafiska Maskin AB.

Ericsson

The Voice of Sweden

Only a few decades ago a personal conversation with a friend abroad meant a journey of days or weeks—today he may be reached within minutes by international telephone.

Telecommunication, which has come to stand for telephony and rapid message transmission generally, has received much of its impulse from Sweden.

Its rise was largely thanks to the imaginative enterprise of one man, a 30-year-old instrument maker named Lars Magnus Ericsson.

The story of Swedish telecommunication is largely the story of the company he founded in 1876 and to which he gave his name.

Young Ericsson's interest was aroused by a newspaper account he read a short time after opening his shop. The story told of the grant of a patent for a telephone to the Scottish-born American engineer, Alexander Graham Bell.

Ericsson immediately began experimenting himself and in a short time he had assembled a serviceable instrument.

The mere telephone was not enough, however. Ericsson had to design switchboard and line equipment himself to offer to would-be Swedish purchasers.

He had to work rapidly, for another company was already in the field. His first break came in 1881, when the town of Gävle brought his installation, calling it "simpler, stronger and more attractive."

A week later he sold a system to Bergen, Norway, and was on his way internationally.

The lesson of "simpler, stronger and more attractive" was not lost on Ericsson. Microphone and receiver were combined in one piece.

The desk hand set, familiar for decades thereafter as the "French telephone," was the result of improvements on a telephone repairman's homemade contrivance. Its convenience was proved by numerous imitations and by its eventual acceptance by manufacturers who had resisted it for years.

Shortly after the turn of the century, more than 400,000 sets and accessory equipment had been sent to virtually every country in the world.

Subsidiaries had been set up in Russia, where Ericsson hoped to keep a market threatened by a Buy-Russian policy, and in England.

After Ericsson left the company, still more subsidiaries were established. For a number of years before World War I five sixths of production went abroad.

Today the Ericsson Group, as bankers, investors and telephone organizations know it, comprises 60 manufacturing, sales and operating companies in 27 countries.

General agents represent it in half a hundred nations. Of its 36,000 employees about 14,000 work in Sweden.

More than 8,000 are in the parent company, where they are chiefly engaged in the design, development and manufacture of all kinds of telephone equipment.

Midsommarkransen, a Stockholm suburb, contains the main plant, laboratories and the group's administrative headquarters.

A score of Ericsson plants and companies in Sweden produce telephone sets, cable and wire, relays, electronic valves, capacitors, transistors and many other electrical components of the incredibly complicated modern telephone system.

Allied products, such as electric household meters, radio and television receivers, tape recorders, signaling equipment, fire alarms and time recorders are also made.

Main emphasis, of course, is on telephony. The dial telephone system employing 500-line selectors is perhaps the most outstanding of the Ericsson products.

The first exchange equipped with this system was opened in Stockholm in 1923.

Public and private exchanges serving more than 2,500,000 lines have been installed since then.

Durability of the apparatus has been demonstrated many times. A case in point was the Naples telephone exchange in World War II, where much of the equipment could be put to use again shortly after the building housing it was ruined by bombs.

Yet the automatic exchange, the part the ordinary user does not see, has been the subject of continuous study.

A result has been the development of a by-path system composed of crossbar switches. **With an almost complete absence of mechanical moving parts, the system replaces sliding contacts** by precious-metal pressure contacts. The system constitutes a far-reaching economy in expensive switching devices. Expert for an electronic system still in the laboratory stage at Midsommarkransen, crossbar switching is the fastest type available today.

For world-wide telephony two things are essential: short connection time and good transmission quality.

These requirements imply advanced scientific research and technological development. **The demand for fast, reliable connecting devices and additional speech channels grows continually.**

The answer to this stepped-up pace is electronics.

In telecommunications this means employing the latest forms of electronic valves, transistors and other semiconductor devices for switching and transmission.

Rapid switching on a dialed international call through as much as a dozen exchanges calls for electronic aids. Further, a multitude of telephone channels are required. Carrier current systems on coaxial cables and radio links are the solution, and the Ericsson Group shares in the work of perfecting such systems. Its development work has been concentrated on coaxial cables permitting 960 conversations at the same moment.

In the last few years experimental installations of pushbutton telephones have been made in several hundred homes near the company's main plant.

Here the savings lie in a few seconds of time, perhaps not so important to the subscriber but significant for the exchange apparatus. Switching time nowadays is counted in milliseconds and even in microseconds.

And at least some of the designer's thought has been devoted to figuring out an attractive appearance for the button board which is to replace the dial.

The tower at the company's main plant is a station in another kind of enterprise, experimentation on very high frequency (VHF) or microwave transmission. Ultra short waves are beamed between towers 25 to 50 miles apart.

With subsidiaries manufacturing communications equipment in 10 foreign countries, including the U. S., and representation in some 80 lands all told, the L M Ericsson concern is an example of a world-wide enterprise conducted successfully in private hands.

Swedish Exports to Canada

(1957)

	$
Guns (not made in Canada)	992,388
All machinery	897,306
Roller bearings and parts	802,333
Rock drill bits	799,697
Cash registers	532,490
Ball bearings and parts	493,061
Tungsten carbide inserts	485,002
Aluminum bar rod and wire rods	442,269
Building and insulating board	401,378
Cream separators	393,683
Manufactures of iron and steel	381,358
Rock drills and parts	367,615
Rustproof steel sheets	300,042
Adding machines	255,456
Seamless pipe (steel)	253,213
Ammunition	244,705
Cranes	236,613
Cold rolled strip (steel)	217,263

Honors Steel Process

This year the Swedish post office issued a special stamp to commemorate a very special event for Swedish industry. It was the successful commercial production of steel by the Bessemer process in 1858.

Although Henry Bessemer, one of the most important names in steel-making history, invented the revolutionary new Bessemer method of making steel—which consisted of blowing air through molten pig iron — it was a Swede, G. F. Goransson, who was the first to succeed in commercial scale production using the new technique.

After long experiments at Edsken, some 30 miles from Sandviken, close to the east coast of Sweden, Goransson got the Bessemer method under control from July 18, 1858. **He was able to do this by altering the basic design of the furnace to allow a greater volume of air to be forced into it.**

This successful result led Goransson, a few years later, to form a company — **Sandvikens Jernverks AB** at Sandviken, some 120 miles north of Stockholm—to exploit the Bessemer process on a large scale.

Goransson at first specialized in heavy forged products. But around 1877 he began experimenting with more highly finished materials — the drawing of steel wire; cold rolling and hardening of steel strip. These were later to become two of the company's main lines. After a couple more years, the processes were extended to the manufacture of finished steel products such as saws and springs.

The first seamless hot-rolled tubes were added in 1889. By 1897, high-quality items such as mainsprings for clocks were also being made. By 1907 the last of the original lines of production, wheels for locomotives and railway carriages, was abandoned.

About the same time the founder's son, the managing director, pioneered a new approach in sales organization.

His idea was to set up a network of agencies in countries where actual or potential markets existed. He kept in touch with these agencies by traveling abroad extensively.

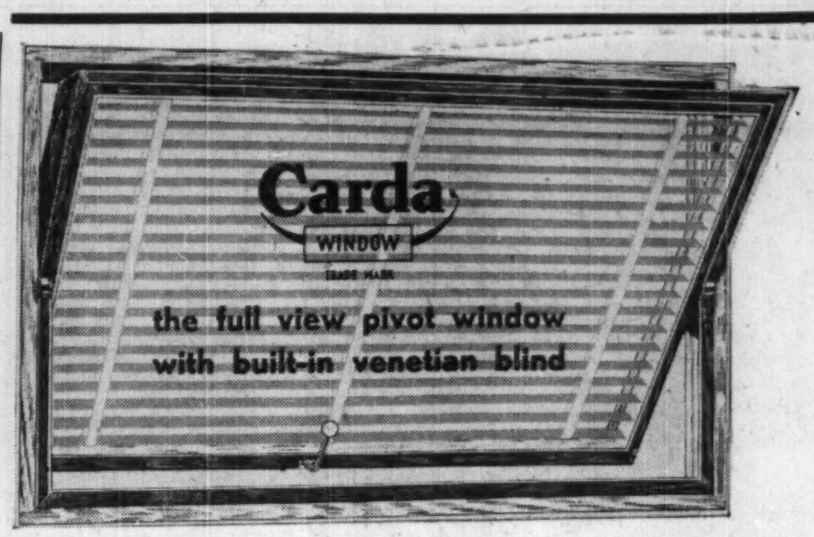
Today the company is one of the major Swedish producers of special steels for such exacting applications as measuring and surgical instruments, clocks and watches, camera shutters, razor blades, conveyor bands, boiler tubes, ball bearings, and hollow drill steels.

In 1956 Sandvikens Jernverks AB delivered 68,500 tons of iron and steel products, a new company peak.

The company now has built up a network of 125 subsidiary companies and agencies in 73 countries. The parent company exports some 60% of its total output.

The Canadian company was started over 30 years ago in Montreal and commenced by selling mainly saws.

In due course this line was expanded to other products in the same field. In 1950 a new factory was built mainly for manufacture of tungsten carbide rock drill steels at Montreal. Since then branches have been added in Toronto and Vancouver.



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The Swedish answer to modern Canadian window design. Widely used in Europe, the "Carda" is made of wood and can be covered with either stainless steel, aluminum or bronze. It can be built right into a kalameined curtain wall or adapted to any other type. It offers you more light area and less maintenance costs as the window is equipped with horizontal pivots permitting the complete reversing of the sash to the interior of the room for cleaning of exterior surfaces of glass. As an added feature a venetian blind can be incorporated in between the exterior and interior light of glass.

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New Uranium Extraction Plant

The plans for a new uranium extraction plant using native schist deposits from Mt. Billingen, in southwest Sweden, have now reached the blueprint stage, says A B Atomenergi.

The new plant — to be called the Ranstad Works — is to produce 120 tons of uranium per annum, which presupposes the mining of 900,000 tons of crude schist.

The plant is to include crushing and sorting works, a lixiviation plant, refinery, office and service buildings.

The total cost of the works is estimated at $22 million, with an additional cost for the refinery.

The schist contains deposits of a special type of calcareous rock, which is separated from the schist during the production process.

It will be used for neutralizing the waste solutions from the lixiviation plant. The refined ore contains about 320 gr. uranium per ton.

The shale remainder of the schist retains its structure and its fuel value through the lixiviation process. This waste product has a fuel value corresponding to that of 500 tons of coal per day.

It will be possible to burn this shale and generate steam and electric power and to extract sulphurous products, especially sulphuric acid — used in the lixiviation process.

However, plants for such purposes are not at present included in the actual plans but may be added to the works later.

The Ranstad Works are expected to be completed in the course of 1962. Preparatory work is to be commenced this autumn. When completed, the works will have a staff of some 330 employees, of whom 60-70 will be administrative personnel.

FLYGT

▲ The largest FLYGT pumps, B-150/200L, as used on the St. Lawrence Seaway project at Beauharnois, Que. Fitted with 6" or 8" hose, these 65-hp pumps have capacities up to 3,000 GPM.

▲ A FLYGT B-38L weighs only 79 lbs; capacity 75 GPM with 1½" hose. Also available: FLYGT B-80L and B-80M, 3" pumps with 6 hp motors and capacities up to 330 GPM.

In Canada today, construction and mining development is going ahead at a pace unprecedented anywhere in the world, creating ever greater demands for better equipment and methods.

By no means the least important part of most construction and mining jobs is the drainage of excess water. In all parts of Canada, FLYGT pumps are now at work, sometimes doing jobs which would hitherto have been considered impossible.

Some of the features contributing to the success of FLYGT pumps, not only in Canada but in many other countries: They are electrically operated, portable and fully submersible. They can handle a very high proportion of solids, and are not damaged if run dry. They are frostproof and can be used in salt water. Considerable savings in labor are possible since the pumps require only occasional supervision.

For detailed information or a demonstration contact:

STENBERG CORPORATION OF CANADA (1956) LTD.,
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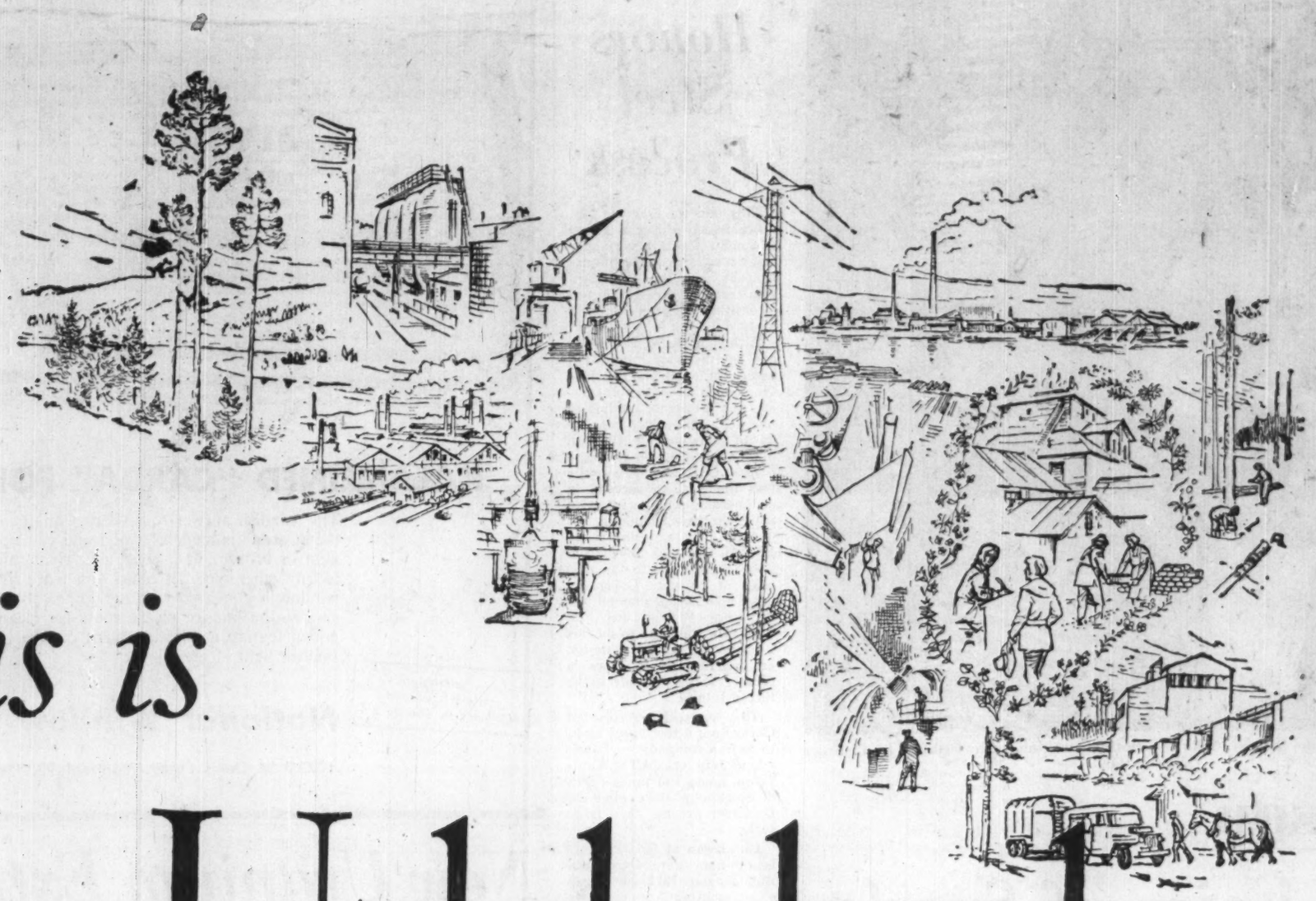
SALES AND SERVICE ACROSS CANADA



This is Uddeholm

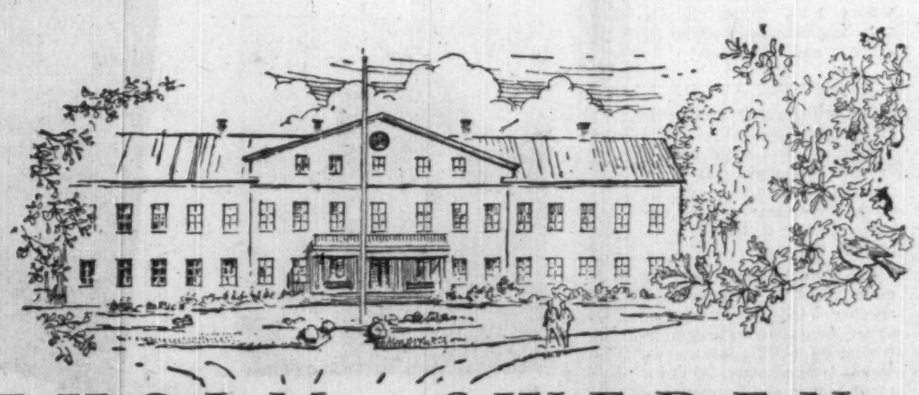
Uddeholm, founded in 1668, is more than one of Sweden's industrial enterprises, it is a part of Swedish Nature, a part of Swedish History, an integral part of the Swedish Countryside. Uddeholm is much more than an industry – it is forests and streams – it is ore in the mines – houses of lumberjacks, private homes of factory workers – farmlands. Uddeholm also is the company's own railway through the manufacturing districts and its own ships carrying its products to market.

Uddeholm is more than an industry – it is one of Sweden's largest industrial enterprises.

Uddeholm is more than a proud tradition – it is a living entity, growing and continually renewing itself. It numbers six steel works and processing plants, four iron ore mines, 700,000 acres of forest, several saw mills, paper mills, sulphate and sulphite mills, chemical mills, thirty hydroelectric power stations, 15,000 employees at work, scientific laboratories, trade schools – all working in harmony to mould nature's resources into a multitude of products that add to prosperity and well being.

Uddeholm is an industry active in many different forms of endeavour – a whole countryside at work – a huge organization dedicated to producing the finest products possible for the market places of the world.

Yes, This Is Uddeholm – known throughout the world for high quality steel products and UDDIA hard metal, for timber and pulp and paper and chemical products. In Canada these quality products, these traditions and policies are represented by Uddeholm (Canada) Limited, Toronto 18, Ontario.



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Agents in almost every other country in the world.

UB

SWEDISH DRILLS AND bits are known all over the world. Here drills and bits are being tested in an underground laboratory at Sandvik Steel's iron mine.

Chemicals

Youngest Enterprise

The chemical industry has been called Sweden's youngest, and indeed in the last two decades it has been showing some of the prime characteristics of youthful enterprise.

Although there has been a chemical industry here for a century, it was largely in and after the last war that this industry was broadened, particularly in the organic field, where plastics and drug manufactures have been vigorous latecomers.

Chemical manufacture has been represented for more than 100 years by the special branch of matches and for nearly that long by explosives, also a specialized field.

But the inorganic part of the industry may be said to have arisen in the 1870s, when industrial production of sulphuric acid and superphosphate began.

Stockholms **Superfosfat Fabriks AB** was set up in 1871 to make superphosphate and sulphuric acid.

Later this was supplemented by an electro-chemical production of chlorates and calcium carbide, the latter built up into an export article of substance, and ammonia and nitrogen fertilizers.

Stockholms Superfosfat, Sweden's biggest chemical enterprise, today has only its name in common with superphosphate; production of this fertilizer has long since been taken over by other manufacturers.

At the turn of the century the incentive for new inorganic branches, chlorine and alkali, came from the pulp mills, which needed raw materials for the bleaching of their products. **Elektrokemiska AB,** Bohus, of which Alfred Nobel was a founder, started with caustic potash and caustic soda, obtained electrolytically from potassium and sodium salts.

It expanded rapidly thereafter to include such products as hydrogen peroxide and, particularly, chemically pure alkalies which have become established items abroad.

Today five companies, all owned by the pulp makers who take most of their output, turn out chlorine and alkalies.

Annual production of chlorine is approximately 100,000 tons; that of alkalies is proportionate.

Sulphuric acid production, the foundation stone of the inorganic field, is sometimes used as a measure of a country's chemical industry.

Sweden makes 400,000 tons a year, a high per capita amount.

Among the earliest plants in Europe to manufacture sulphuric acid on the contact method was one set up in 1910 by **Stora Kopparbergs Bergslags AB.** The largest user of sulphuric acid is the superphosphate fertilizer industry, whose productive capacity of more than 500,000 tons covers domestic demand.

Some of Sweden's most widely known companies are involved in this production chain.

First link, for example, is the extraction of iron pyrites. Pyrite sources are the Skellefte field, worked by the Boliden Mining Company, which covers more than half the Swedish requirement of sulphur, and the Falun mines of Stora Kopparbergs Bergslags AB.

Next comes **Reymersholms Gamla Industri AB** of Halsingborg and its associate, **AB Förenade Superfosfatfabriker,** the nation's largest producers of sulphuric acid. Their principal raw materials are pyrites. Reymersholm is also one of two Swedish refiners of copper, which is extracted from the pyrites.

Finally, Förenade Superfosfatfabriker uses the acid to make superphosphate from imported raw phosphate while the Reymersholm acid either goes to make such chemicals as hydrochloric acid and aluminum sulphate or is sold to other companies primarily for rayon manufacture.

Other inorganic products include arsenic compounds, of which Boliden is one of the world's largest producers, and selenium, also made in quantity by Boliden. Potassium chlorate from **Alby Nya Kloratfabriks AB** is sold in large quantities to the match industry.

Here's Who Owns Swedish Business, Services

		Private Industry	Government (Percentage)	Co-Operatives
Natural Resources:				
	Forests	80	20	
	Iron Ore	30	70	
	Water Power			
	(Utilized)	40	60	
	(Resources)	50	50	
Manufacturing:		92	4	4
Agriculture:		93	2	5
Transportation:				
	Railroads	8	92	
	Air lines	50	50	
	Shipping	100		
Communication:				
	Post Office		100	
	Telegraph		100	
	Telephone		100	
	Broadcasting	50	50	
Trade:				
	Retail	88	1	11
	Retail Food	75		25
	Wholesale	97	1	2

In High Positions

OSCAR THORSING
Swedish Ambassador to Canada

JEAN CHAPDELAINE
Canadian Ambassador to SWEDEN

Tanker

Atom-Powered

In a fully documented article with a wealth of blueprint illustrations the latest issue of the Swedish Shipping Gazette presents the plans drawn up at the Gothenburg Götaverken shipyard for a 65,000-ton atom-powered tanker.

The scheme is the first of its kind to have been completed in detail in Sweden, but, according to the Götaverken designers, there are no plans at present of materializing the scheme, as the question of an economic utilization of atomic propulsion is by no means solved.

The projected vessel is characterized by having its entire superstructure placed aft and the reactor amidships, 300 ft. distant from the crew, which is considered safe if radio-active gases should escape from the reactor room in spite of all protective measures.

The turbines in the reactor room are connected with the propeller engines in the aft engine room by electric transmission, permitting complete segregation of the radiation producing parts from the crew's quarters and working space.

All machinery in the reactor room is remote-controlled from the aft parts of the ship. The turbine system is severely simplified in order to be operated from a distance.

It is characteristic of the project that diesel machinery is being used for generating auxiliary power for the entire vessel.

Diesels will also be installed as stand-by engines for use in ports or canals where it may not be permitted to enter with the reactor at work.

The total output of the auxiliary engines is about 3,000 hp and the output of those for use in canals and ports is about 5,000 hp, whereas the atomic machinery is designed for an output of 30,000 shp scheduled to give the vessel a speed of 18 knots.

It is intended to continue to work at and develop the project, as hitherto in close collaboration with the Babcock and Wilcox companies in England and the U.S.

Most Powerful Turbine?

The Swedish water-turbine and engine builders **Nydqvist & Holm (Nohab),** of Trollhättan, recently staged a show of notable turbine machinery at present being under construction.

Interest was focused on two of the three Francis turbines ordered for the Stornorrforsen plant — the third being under installation at the power station.

With their guaranteed output of 200,000 hp each at a head of 246 ft., they are reported to be the most powerful in the world.

The company has had experience in building water turbines since the middle of the last century.

In fact, one of its very first units, built in 1849, was still going strong on its 100th anniversary.

The first large-size turbines made by Nohab were four units delivered to the Trollhättan power station in 1910. After that the records soared, one after another. The Harspranget turbines, each having an output of 150,000 hp, were delivered in 1951.

They were then the most powerful in Europe.

Among noted Nohab orders from foreign countries may be mentioned three Kaplan turbines ordered for Rincón de Baygorria, Uruguay, which will be the biggest in the whole of South America; a Kaplan turbine made for the Panchet Hill power station in India is the largest of its kind in that country.

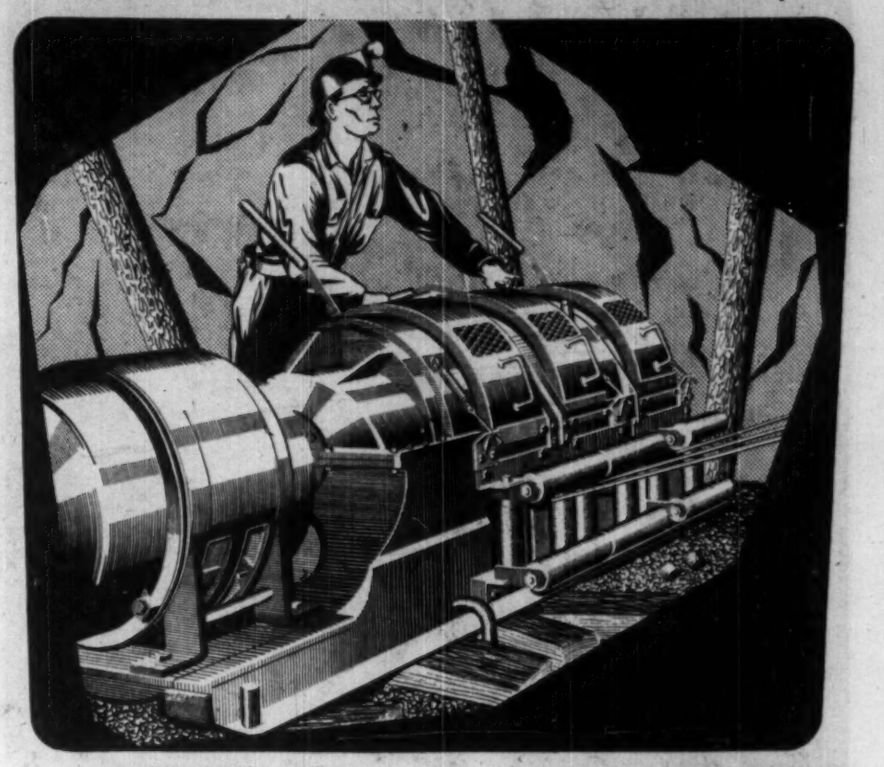
Easy Travel

Foreigners entering the Scandinavian territory of Sweden, Denmark, Norway and Finland — with the exception of Greenland, the Faeroe Islands, Spitzbergen and Jan Mayen — will be required to present their passports only at the point of entry under new regulations.

This does not, however, exempt them from the requirements of carrying a passport or from having a valid visa if they are citizens of a country for which visa are required.

Foreigners from non-visa countries may stay in Scandinavia for three months without special permit. After the passage of this time a permit should be applied for in the country where the foreign visitor is staying.

SALA MASKINFABRIKS AB
SWEDEN



A 3$$40 in Pronto Uranium Mines.

SALA Scraper Hoists are now used in Canadian Mines

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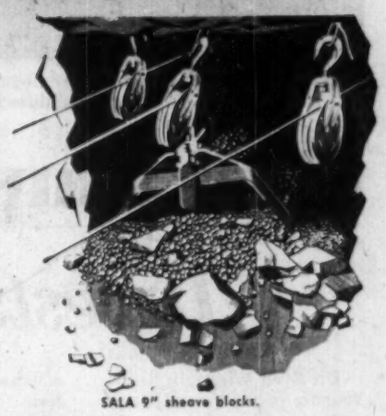

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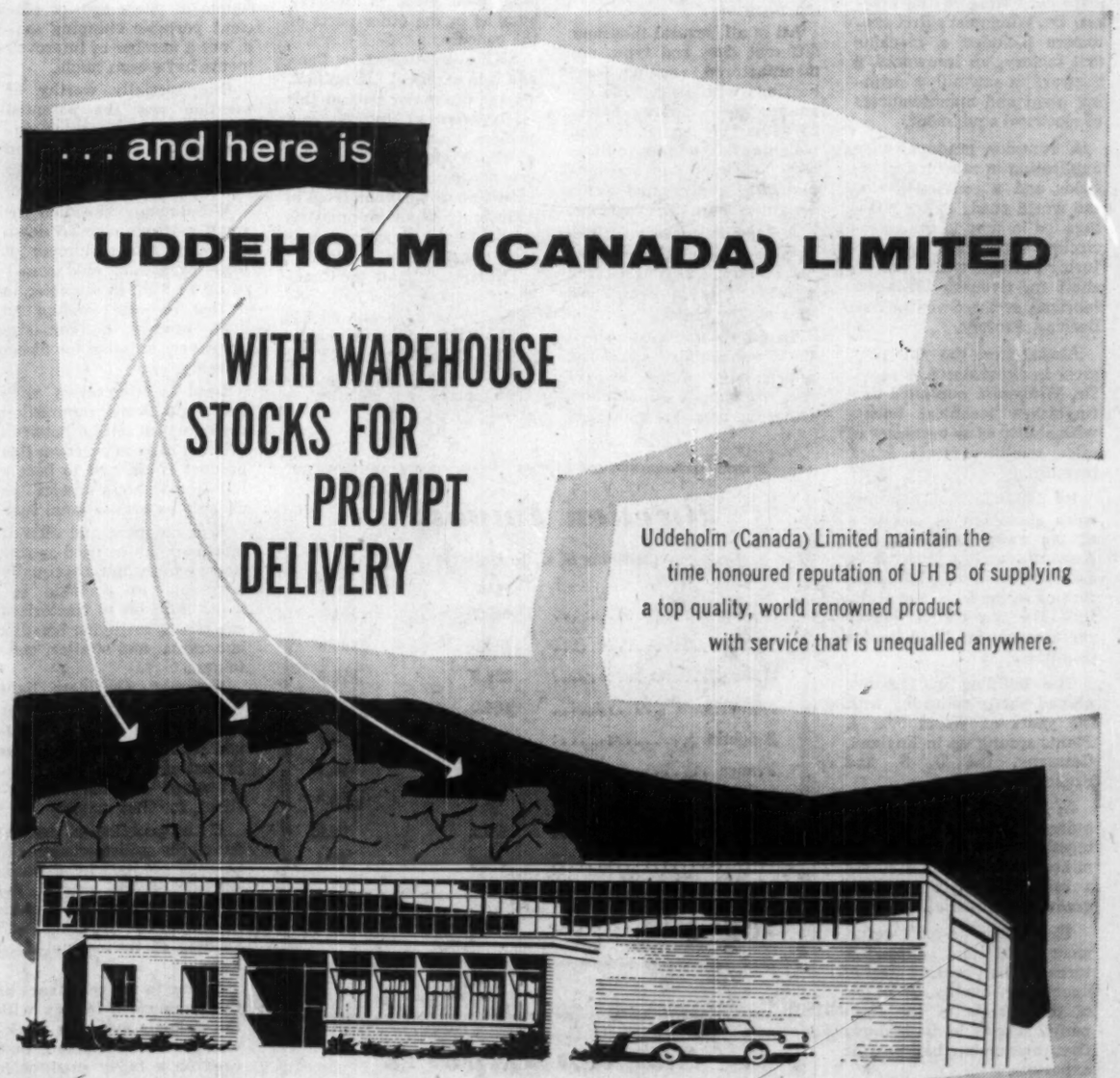

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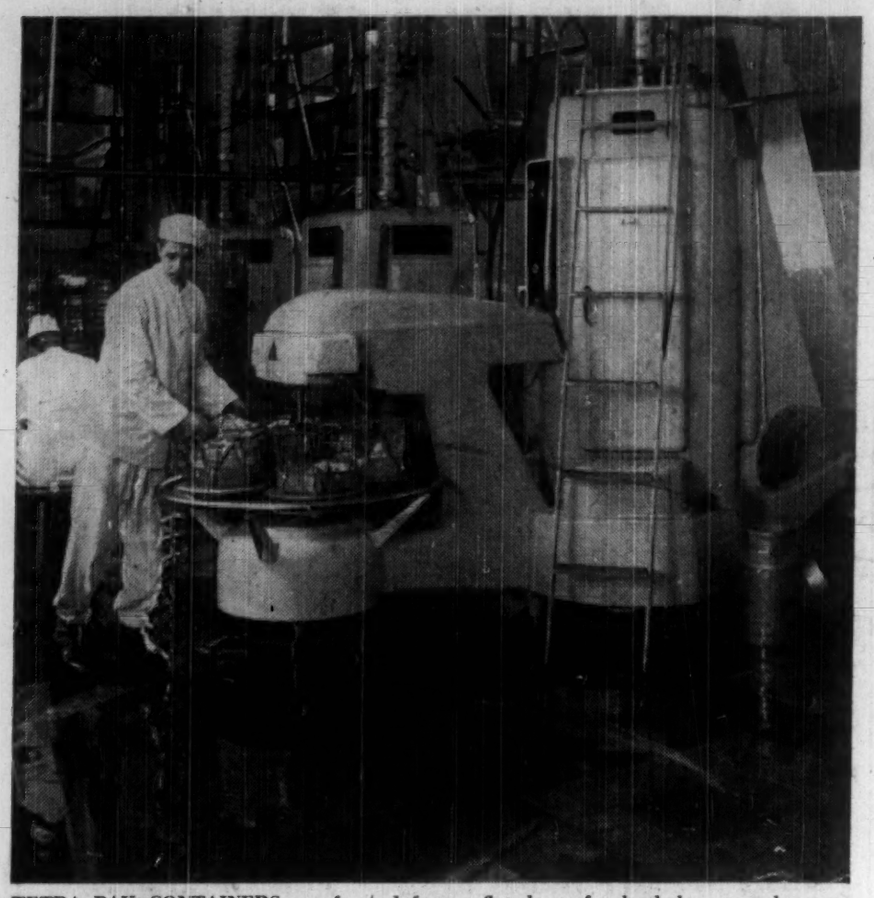

TETRA PAK CONTAINERS are formed from a flat sheet of polyethylene coated paper. Tetra machines are now being sold in Canada.

SKF Empire

Invests in Canada

Dr. Sven Wingquist — the founder of the vast SKF empire — really set the stage for SKF's entrance into the big engineering field with the invention of the self-aligning ball bearing. This bearing had the ability to adjust itself automatically to misalignments in the shaft about which it turned.

The advantages of the product were obvious from the first and right away manufacturers of various types of machinery were in the market. Dr. Wingquist's first customers included a machine tool factory, an ironworks, a shipyard, a sawmill, a printing plant and manufacturers of electrical equipment.

A superior product, wide application in most industrial fields and a conviction that the world needs better bearings led in time to the earth-circling export and manufacturing business which is SKF, short for Svenska Kullagerfabriken or the Swedish Ball Bearing Factory.

Almost from the start progress in expansion was rapid. **Dr. Wingquist combined distinguished technical talents with ability as an organizer of sales, qualities rarely** found together.

By 1908, SKF distributors were appointed in countries as far away as Japan and Australia and a little later associate companies were formed in the U. S. and U. K. By 1914 the company was represented in 27 different countries.

The building of factories abroad partly coincided with the years of World War I. Plants sprang up in England, Germany, the U. S. and France.

In 1916 the company acquired the Hofors steelworks together with adjoining mines and forests, assuring a constant supply of high-grade raw material.

The 300-year-old works, modernized and expanded, turns out ball bearing steel of unequalled quality. It is one of the secrets of the company's success in maintaining first rank among ball bearing exporters.

Capitalization was increased several times between the wars, more plants were built or bought and, although some establishments suffered loss or were disposed of as a consequence of the last war and its aftermath, SKF at the time of Dr. Wingquist's death in 1953 was a force to be reckoned with.

Today the concern has 23 factories and more than 35,000 employees in a number of countries, with sales offices in several dozen more.

Research has played an important part in the company's effort to serve every branch of industry rather than tying itself to supplying large users such as the automobile makers.

A dozen different basic bearing types comprise the SKF arsenal. Some are own inventions, others are improvements.

The self-alignment principle is used in the spherical roller bearing, and self-aligning thrust roller bearings are also made.

Tapered roller and deep-groove and angular-contact ball bearings are included in the repertory.

All in all, several thousand different sizes and types are manufactured, ranging from bearings with an outside diameter of approximately 25/64ths of an inch and weighing 0.05 ounces, to those with a diameter of approximately 57½ inches and with a weight of more than two tons.

A number run at velocities as high as 60,000 revolutions per minute; others can carry a load of more than 2,000 tons at low speed.

Largest single customer is the automobile industry, which buys almost 30% of the company's production. Other big users are makers of electric motors. Rolling mills and railroads are important buyers, and textile mills have been supplied for decades.

Standardization and rationalization play their part in the SKF story.

By the former, 97% of the designs asked for over the years have been eliminated, the remaining 3% being enough to cover every type of application.

By the latter, costs have been kept down, at the block-long main plant in Gothenburg as in the other parts of the concern.

SKF's investment in Canada is in excess of $15 million. By far the major part of this is represented by the big modern manufacturing plant at Scarborough on the eastern border of Toronto.

The plant was completed in 1950 and output volume has been stepped up sharply over past few years.

Officials estimate the Canadian market for ball and roller bearings is around $30 million-$35 million a year.

The Canadian market for ball and roller bearings has been increasing steadily — some years by 15%.

Sweden Imports

(Millions of U. S. Dollars)

	1956	1957
Germany	485.9	534.7
U. K.	305.9	336.3
U. S.	226.8	311.5
Netherlands	154.0	165.0
Belgium	100.7	104.8
France	83.6	74.7
Norway	82.0	89.5
Denmark	75.2	97.0
Italy	62.5	77.1
Brazil	58.9	55.1
Canada	8.0	12.0

Sweden Exports

(Millions of U. S. Dollars)

	1956	1957
U. K.	345.6	385.6
West Germany	266.0	305.2
Norway	159.1	209.8
France	122.7	110.5
Netherlands	120.8	129.6
Denmark	107.8	113.4
U. S.	99.5	103.3
Belgium	88.0	93.9
Italy	62.3	68.2
Finland	46.7	44.4
Canada	17.3	16.0

Forest Products On Show

Forest work, forest equipment and new methods for rational and economic utilization of the forest raw-product, wood, as well as new implements for reafforestation were the main features of this year's St. Erik's Fair.

A good many novelties have appeared since the last big forest exhibition three years ago—labor- and time-saving devices even to radio-directed skidding of logs, the application of photogrammetric mapping of the forest districts, and so on.

The Swedish Forest Owners' Associations, ever since their amalgamation into a national federation in the '20s, **have striven to cut down individual costs by means of close co-operation.**

The economic savings have been particularly spectacular in connection with forest road building.

Cultivation and felling have likewise in many cases been the subject of co-ordination.

The latest manifestation of the co-operative trend is the joint foundation of the **Forest Owners' Cellulose Co.**—with a share capital of $10 million—for the construction of a sulphate mill at Mönsteras, just about ready to start production. It will have an initial capacity of 70,000 tons of pulp per annum.

A very well organized "idea department" at the exhibition showed the methods and equipment available for modern silviculture; these ranged from new ways of measurement and survey of the available resources to the ultimate conversion of the wood into pulp or fuel.

The fuel aspect was stressed: for its measure of importance to national preparedness as well as for the economic gains to be made by utilizing small and otherwise valueless wood.

Since the appearance, a couple of years ago, of efficient portable chipping machines a number of improvements have been made.

One specially worthy of mention was the patented Erjo chipping machine invented by Eric Johansson and made by **Trä & Bygges M.V.**, Ljungby.

Without any vibration the small machine chewed down as by miracle a number of logs—even hard oak trees—of up to 8 in. in diameter in a few seconds, leaving an even product of corn-size chips very suitable for direct burning.

Used in connection with the same firm's combustion stoves, which sell for between $75 and $150 in Sweden, this product is claimed to heat a four-room house twice as cheaply as conventional fuel.

Erjo chippers and similar machines can be used as stationary units, but are equally adaptable to portable use when built on to tractorized equipment including hoisting apparatus and trailer containers.

However, the new light type can be claimed to cater to the use of small sawmills and joinery works as well as to that of the individual forest owner — or the fuel merchant, for that matter.

If the problem of making use of the spillwood seems to be well on its way towards solution, there is still the question of the heavy work involved in dragging and yarding of the normal-sized logs.

Owing to the reluctance of the lumbermen to stay with the animals over the weekend, the draughthorse is now used on a fairly small scale in Sweden.

Due to a series of special conditions — long forest distances and, still, a scarcity of forest roads — the problem of conveying the timber over rugged, rocky mountain sides cannot always be solved by tractor.

But new ways have been found to facilitate the hard job of the men. The most interesting so far is radio-controlled dragging of logs over fairly long distances on to special log piles close to the roads or tracks negotiable by tractor.

The system, developed by the **Sepson AB,** Vansbro, which has been tried out in close collaboration with the Billerud forest and pulp company during the past three years, seems to have borne fruit lately.

The Sepson units are being sold all over Scandinavia, and the forest workers are highly satisfied.

A new and perfected unit was demonstrated at the St. Erik's Fair by the inventor, S. E. Peterson.

With this system the timber, handled by means of grippers or a yarding sled, is hauled by cable with the aid of a telepilot set comprising sender and receiver.

Neither weighs more than two lb. In order to eliminate vibration the receiver is suspended by rubber bands on to the dragging machine, whereas the sender is carried on the body of the operator, who can handle the dragging work alone, the work of a helper being eliminated.

The log piles can be stacked to a considerable height, and the truck or tractor drivers like this for the loading facilities it entails.

A number of other inventions and designs for improving forest transportation could be seen at the fair.

Trelleborg have just launched on the market a special tire for use on forest tractors.

It is characterized by a "low-profile" cross-section resembling a flattened semi-circle, which gives it a bridgespan stability, makes for less deformation and less swaying. The 12ply type takes a load of three tons.

Special well-base rims are marketed for use with the new tires, which fit standard axles.

An interesting new invention for making basic winter roads on deep snow in forests and bogs is the so-called snow-beater, made by Lulea Varv and sold by **Bolinder-Munktell** for use with their new Bamse tractor.

The whole-track tractor, when provided with winter tracks, has a specific surface pressure as low as 0.13 kg/cm² and travels easily on top of the snow, pulling the snow-beater behind it.

This latter is provided with a rotating chain system, which beats up the snow against a front-shield, so that it can be packed by a heavy trailer towed behind the machine.

The result is a hard-surface road, which can be used for ordinary transportation. It is claimed that the beater will work in 3-ft.-deep snow.

King Gustaf Honors Canadian Scientist

At a recent investiture presided over by King Gustaf-Adolf V of Sweden the degree of Doctor of Technology was conferred on Hans T. Lundberg, President of Lundberg Explorations Ltd.

Dr. Lundberg, whose outstanding contributions in the science of geophysics began in his native Sweden in 1916 is a graduate of the Royal Institute of Technology, Stockholm.

Although Dr. Lundberg has been a Canadian citizen since 1937, his frequent business trips to Sweden and the continent have resulted in the instigation of many Swedish-Canadian enterprises. The British Columbia Wenner-Gren Development is an outstanding example.

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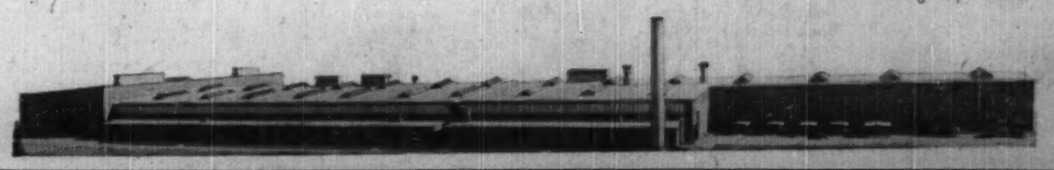


Tourist Industry

More Canadians Visit Sweden

In 1953 62,319 North Americans were visiting Sweden.

Four years later, in 1957, the figure was 96,343, an increase of about 55%.

The number of Canadians may seem small, from 3,618 to 6,243, but if you compare the increase percentagewise between U. S. and Canadian citizens, you will find that the Canadians lead by 72 to 53.

Trying to analyse the Canadian traveler, one can definitely say that he does not usually belong to the ignorant, all-pleasure hunting type, whose only idea of a good trip is a short sojourn in guilded and velvet luxury, champagne and gay night life.

No, he is a practical man, interested in something more than superficial amusements.

Also, when he is not directly concerned with business on his trip but mainly goes abroad for recreation, he is always curious of what makes other people tick and always ready to explore new fields, whatever the subject may be.

That is one reason why a Canadian seldom is disappointed after a visit to Sweden. This country appeals to him, not only because of the similarities in natural resources, the ways of living, the same democratic ideas and ideals, but also because it is different.

Sweden uniquely combines the mellow charm of an old culture with the virginal beauty and exhilarating spaciousness of a young country.

It is a highly industrial nation with great productive resources, but spared the blight of drab industrial cities.

Power plants of the twentieth century and Bronze Age Viking rock carvings nearby; jet planes whistling high above mighty walls of early medieval churches; on the fertile plains, against a background of battlemented castles, tractor-driven harvesters gathering the wheat, developed through scientific plant breeding; such are the contrasts of this country, which has Europe's highest living standard.

Sweden is a veritable laboratory in the study of social problems and a visitor will have no difficulty, if he really is interested, in finding out how they were solved and what remains to find the answers for.

Although private enterprise is managing 92% of Sweden's economic life, the co-operative movement has grown strong not only as retailers with food supermarkets all over Sweden, **but also as manufacturers of such useful things as electric bulbs, car tires and beautiful modern ceramics.**

That Sweden's fame in the design field can excite visitors — enough for the Tourist Traffic Association and the Society for Arts, Crafts and Industrial Design jointly to create and maintain an annual Scandinavian Design Cavalcade as a major attraction — may be significant for the country as the destination of the modern traveler, in quest of more than the usual souvenirs.

The Cavalcade is held each year in September; the best and newest of glass, ceramics, steel, silver, furniture, textiles, etc., are on view at parks in glass encased open-air displays, at museums, specialty shops, department stores, all over Stockholm. Excursions to factories are arranged, and visits to the designers' studios and workshops — at all other times of the year definitely discouraged — are cordially invited during the Cavalcade month.

There are, by the way, many advantages by traveling in the fall or the spring, when the transportation is not so crowded and when the social season just about has started or is ending.

The fall is the season for game hunting, about the same type of game as in Canada, moose, etc., and at this time central Sweden and Lappland display their fantastic and glorious autumn colors.

But May-June is probably the most delightful time of the year in Sweden . . . The Midnight Sun can be seen during these months north of the Arctic Circle, in perfect comfort aboard an eight-day Sunlit Nights Land train cruise or a few hours' Midnight Sun Flight.

At the end of June the Midsummer Festival is celebrated with colorful ceremonies and maypole dancing throughout the country, although most interesting is to spend the holidays in the province of Dalecarlia, at the small church communities around Lake Siljan.

This is Sweden's most charming and beautiful ancient province; the people have retained their old customes and customs and the festivities still possess the joyous abandon of bygone days.

Early in June the Stockholm Festival of music, ballet, opera and drama draws visitors from many parts of the world.

Sweden has had a good reputation for fostering fine singers ever since the days of Jenny Lind and currently well-known names are Jussi Bjoerling, Seth Svanholm and Nicolai Gedda.

To meet the people themselves — i.e. others than the hotel porter, the waiter and the hairdresser — is not at all difficult.

A Canadian in Stockholm or Gothenburg, Sweden's second largest city, never has to feel like a stranger in a foreign country.

He merely completes a registration form and suddenly he will find himself invited to a Swedish home for tea, informal dinner or supper.

What's more, the host family will share his interests, be he a business executive, teacher, physician or what have you.

These are the features of the "Sweden-at-Home" program, initiated in 1954 and entirely designed to further international understanding and create friendship through personal contacts on a "shared-interests" or "similar-professions" basis.

No living accommodations are provided and there is no elaborate entertainment, because the idea is to keep the program strictly non-commercial and voluntary . . . with no costs involved on the part of the guests or the hosts.

The arrangements have proved a tremendous success from the start and 85% or about 600 of the participants last summer were travelers from Canada and the U. S.

Nearly 600 Stockholmers have volunteered as hosts and the number is still growing. The English language offers no barrier, as English is the most commonly known foreign language in Sweden. Preliminary registration forms can be ordered from travel agencies, but registration can also be arranged at the Tourist Information Centre in Stockholm or Gothenburg on arrival in Sweden.

A visit to the Scandinavian Design Cavalcade can easily be combined with a tour of the glass work district of Smaland. **Ingenuity is the proverbial characteristic of the people here,** and it is by virtue of this ingenuity that Swedish glassmaking has attained world renown.

You will not find any vast industries, but in every other village there are small glassworks which is almost always of impeccable taste and design.

Well worth a visit are Orrefors, Strömbershyttan, Kosta, Flygsfors, Gullaskruf and many other less well known places.

It is often possible to see the actual glass blowing. Make your trip complete by visiting also the furniture workshops of Bruno Mathsson in Värnamo and the furniture factory in the village of Bodafors.

Växjö has a wonderful glass museum, containing representative collections from all major glassworks.

Occasionally you may be able to buy directly from the manufacturer — at any rate prices are far below prices abroad. Note that bulky purchases can easily be crated and shipped directly to your home.

From Smaland it is not far by ferry to the Isle of Gotland, in the Baltic Sea, a treasure island for all those who respond to the romance of history.

Its capital, Visby, was a mighty trading centre in the Middle Ages and important even earlier. Today the "City of Roses and Ruins" still retains much of its medieval character and its city wall is still standing.

Indeed, all of Gotland is like a **gigantic open air historical museum — its 90-some little country churches,** built and decorated by unknown masters, are gems of medieval architecture.

And on Gotland the sun shines nearly all the time! An unforgettable experience is a visit to "Petrus De Dacia," the magnificent operatic miracle play, performed in torch light in the ruins of St. Nicholas Cathedral by singers from the Royal Swedish Opera from the middle of July until the middle of August.

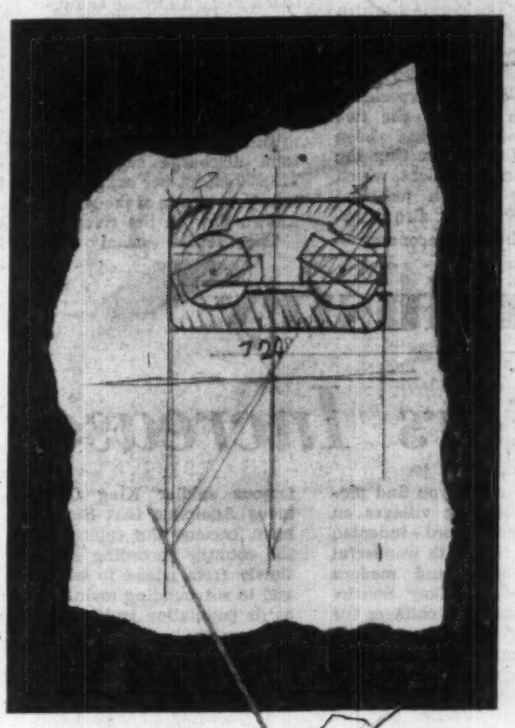
Snäckgärdsbaden is a modern resort hotel, featuring swimming pool, cocktail lounge, etc. — quite a contrast to the medieval atmosphere. Gotland has also many public whitesand beaches.

If you are interested in old culture, the Göta Canal District is one of Sweden's most interesting parts in this respect. The canal connects Stockholm on the east coast with Gothenburg on the west coast and these 347 miles of navigable water features 64 limestone locks and is Sweden's oldest tourist attraction.

In three days you travel by steamer a route, which by modern express train would take four and a half hours and in a charming fairy tale style you get to know the surrounding landscape.

(Continued on page 76)

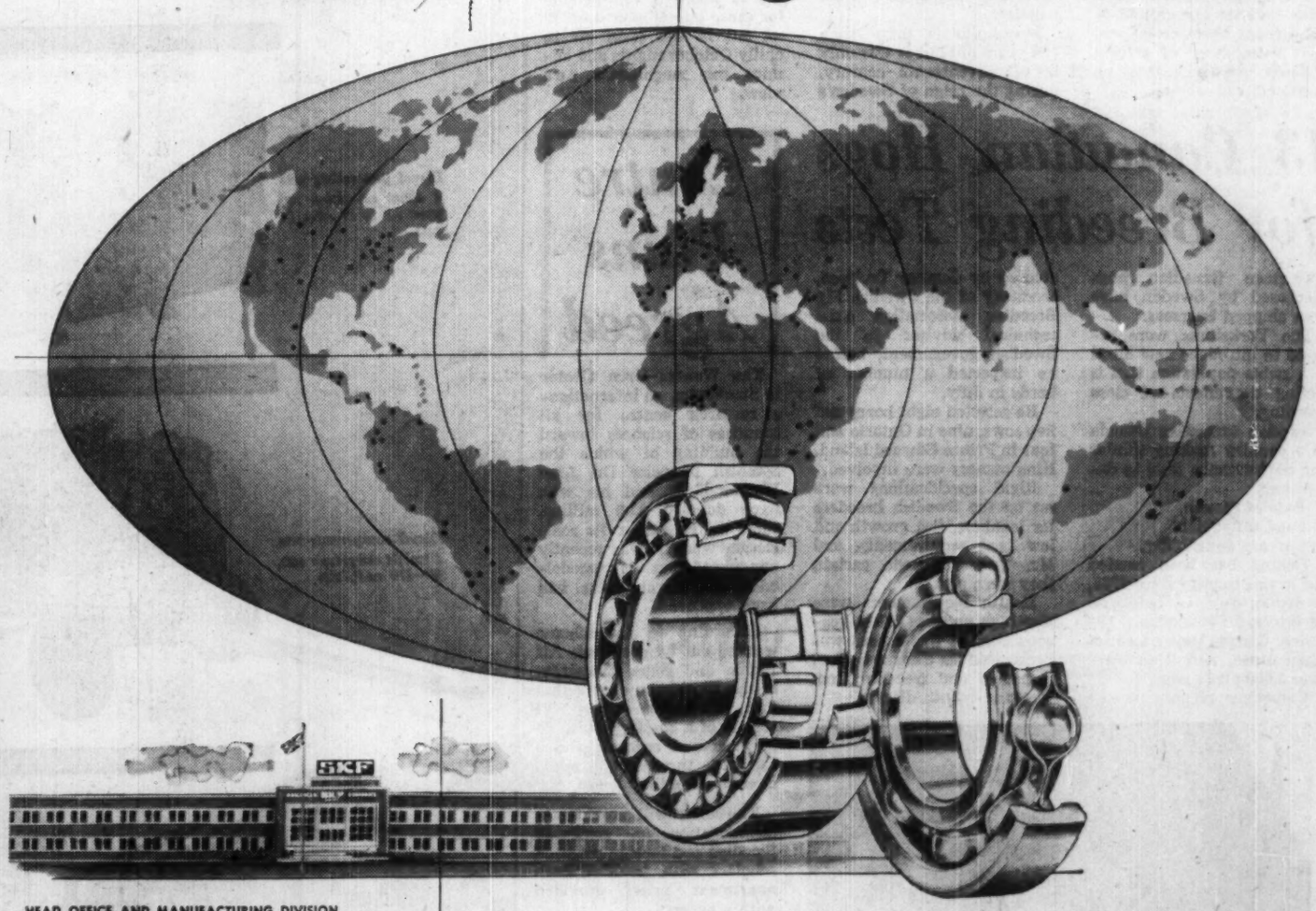
MASTERBLOWER AT WORK at Orrefors glass factories in southern Sweden. Some of the finest ornamental glassware in the world comes from these plants.



from this little sketch

SVEN WINGQUIST, founder of SKF and his epoch-making design . . . the self-aligning ball bearing. Sweden—1907

grew the **SKF** world-wide organization



HEAD OFFICE AND MANUFACTURING DIVISION, SCARBORO, ONTARIO

THE place was Sweden . . . the year 1907, when Sven Wingquist invented the first self-aligning ball bearing, which revolutionized the bearing industry. Manufacturers liked the new type of bearing and demand for it became world-wide.

SKF was established in Canada 41 years ago and has grown with Canadian industry. Today you will find SKF at work on all types of machinery in every industry, filling the intricate precision requirements of the swiftest jet aircraft, to the rough, tough needs of huge construction units. Wherever a bearing is required SKF will meet the requirement . . . *with the finest bearing in the world.*

CANADIAN SKF COMPANY LIMITED

DISTRICT OFFICES: QUEBEC, MONTREAL, TORONTO, HAMILTON, FORT WILLIAM, WINNIPEG, REGINA, CALGARY, EDMONTON, VANCOUVER

Nears Completion

Sweden's Largest Powerhouse

The largest power station to be built in Sweden, the 375,000-kw Stornorrfors on the Ume River, is now nearing completion.

The first aggregate was test-run on August 30 and will be put into operation by the middle of September, the second toward the end of this year and the third in May 1959.

The plant, which is equipped with the biggest turbines and generators of their kind in the world, is designed to permit of installing a fourth aggregate, which would raise the rating to 500,000 kw.

Stornorrfors is the third giant station completed by the Swedish State Power Board during the current decade.

Like its predecessors, the 350,000-kw Harspranget on the Lule River above the Arctic Circle and the 285,000-kw Kilforsen on the Angerman River, Stornorrfors represents a bold and interesting piece of advanced design and engineering which has earned Sweden a name in power techniques the world over.

Much of the experience gained in building the two earlier stations has been utilized for constructing the new $43-million plant, which not only from a technical point of view but also in respect of building economy — $113 per kw — is said to be unique of its kind.

Utilizing a head of 246 ft., the Stornorrfors plant is built underground off the riber bed proper.

The water is conducted to the station through a 1.5-mile canal, precipitated through individual tube shafts to each turbine and reconducted to the river through a 2.5-mile discharge tunnel.

The upstream reservoir has an area of 4.4 sq. miles and a length of 13.7 miles.

The triple-gate dam has a total discharge capacity of 113,000 cu. ft. per sec., which is 14% in excess of the largest known flow in the river.

The feeder canal runs through an open plain area, both ends of which have been excavated out of the soil, while the central section, 62 1/3 ft. wide, has been blasted through rock.

The banks have been "modeled" as far as possible to fit into the surrounding landscape.

Model tests have shown that the water flow at the 90 deg. bend from the intake basins to the vertical tubes is very even and free from turbulence in spite of the relatively high speed of the flow.

Each tube has an inner diameter of 26¼ ft.

The tube shafts are concrete-coated and in their lower parts also clad with steel plate.

The underground machine hall has a length of 407 ft., a width of 61 ft. and a height of 95 ft. It is connected with the outer world via a 330-ft. elevator shaft with built-in staircase and through a transport tunnel.

Sliding molds were used for casting the walls of both elevator shaft and the walls of the machine hall.

The three Francis turbines to be installed in the first stage have been designed and manufactured by **Nydqvist & Holm AB.**

The largest of their kind so far built in the world, they have a contracted rating of 134,840 kw at 125 rpm each, their maximum rating being 147,200 kw at a head of 75 metres and a water flow of 200 cu. m. per second.

The runners are made of welded stainless steel castings.

A complete wheel weighs about 70 tons and has a maximum outer diameter of 5.2 metres and a height of three metres. Turbine lid, stay rings and spiral casing are also welded.

Transistorized 'Phone Sold in 58 Countries

A fully transistorized one-piece loudspeaking telephone that takes its current supply from the telephone exchange just as any ordinary telephone has been developed by Sweden's **L. M. Ericsson Co.**

It was shown to the public for the first time at the recent Swedish Industries Fair in Gothenburg.

The compact little unit is not larger than a conventional desk telephone and has been given an attractive design in light-grey plastic, of a shape that might be characterized as a flat-top pyramid.

The microphone is built into the flat top and thus takes in the speech from all directions, while the loudspeaker opening runs all along the four sides of the instrument base and distributes the incoming speech equally well throughout the room.

The new Ericsson instrument is operated by means of three buttons and a dial, the latter being recessed into the housing.

The left-hand button is pressed at the start and end of conversation. No manual switching is necessary between speaking and listening, and all risk of "howling" is eliminated by the automatic voice-operated switching.

The centre button is used for increasing the volume of incoming speech, e.g. in long-distance calls, while the right-hand button cuts out outgoing speech if required.

For privacy conversation the streamlined loudspeaker telephone is combined with Ericsson's Ericofon standset instrument which has earpiece, microphone and dial in one single piece.

This new departure in telephone design — also known as the "Cobra" for its original shape — was launched on the market only a couple of years ago but is reported already to have been introduced in 58 countries.

Needs Raw Materials

Only a few products of the Swedish chemical industry are represented in the export field. This is very largely due to the lack in Sweden of such basic raw materials as coal or petroleum and common salt, not to mention a great variety of other natural products of importance in chemistry. Nevertheless, on the basis of available raw materials and imports, a fairly comprehensive and highly developed chemical industry has been built up in the country.

Tourist Industry

Cdn. Visitors Increase

(CONTINUED FROM P. 75)

which sometimes is so close that you can pat a cow on the back from the railing of the ship.

Here is the cradle of Swedish culture; jagged old rune stones, telling of Viking exploits; the first abbeys and convents, where the light of Christianity was first kindled in a heathen land; and from here came the powerful medieval rulers who unified the nation.

Today the Lake District, as it is also known, is a smiling landscape dotted with quiet little towns and through it winds and climbs the charming canal.

There are two tours, the one mentioned above which takes three days and a shorter one, which combines a motor launch trip with a tour by Sweden's famous Linjebusses to a 36-hour excursion.

The west coast is an excellent place to go native and mix with the people, for this is the favorite playground of the Swedes themselves, and what better way of getting to know people than on vacation?

In the north you find picturesque fishing villages on the jagged fjord-indented coast, **in the south wonderful sand beaches and modern resort hotels.** Many Swedes rent fishermen's cottages for their vacation. These are always clean and generally have modern conveniences.

A system frequently used here is to arrange for full board through a seaside restaurant, which in turn arranges accommodation in private rooms. Sailing, golfing and tennis are the main sports.

While it is a truism that no capital faithfully portrays a country, that is less true of Stockholm, City on the Water, one of the world's most beautiful cities. Its canals and lakes, islands and bridges, parks and flowers, its modern architecture, its fine hotels and public buildings is Sweden in a nutshell.

The capital presents many facets of equal interest to the casual raveler, artist, historian, sociologist and architect.

Stockholm is more than 700 years old but it was only in the seventeenth century, during the reign of Sweden's famous soldier King Gustavus Adolphus that Stockholm became the capital of the country spreading itself slowly from island to island and to surrounding mainland as its population and importance grew.

During the last 100 years its rise has been rapid and explosive.

From being a compact city with a population of only 100,000 in 1858 it has now become a sprawling metropolis accommodating one million people.

The Stockholmers are well aware of the growing tourist traffic. Six nightclubs were opened last summer and during the season 1957-58 three new hotels were built, one of them — the Foresta — featuring such things as a private yacht wharf, a garage with service for 200 cars, a helicopter landing place with direct connections to the Bromma International Airport, **a swimming pool, and balconies with infrared heating to make it comfortable for those** guests who want to sit out in the open air in chilly October nights and admire the magnificent sea view.

13 Canadian Hogs for Breeding Tests

Thirteen Canadian hogs purchased by Sweden have been shipped overseas.

The Yorkshires were secured to introduce new blood to a swine population that is feeling the effects of close breeding.

Sweden turned to Canada as a country making similar hog performance tests to determine:

- Rate of growth.
- Feed utilization.
- Carcass desirability.

Testing has been carried out in this country since 1928, according to J. G. Lefebvre, Livestock Production Division, Canada Department of Agriculture, and it involves over 3,000 pigs a year.

Canadian records were studied by Gunnar Trulsson, secretary of the Swedish Pig Breeding Association and technical adviser to the Swedish government, before he inspected a number of herds in July.

He selected eight boars and five sows, nine in Ontario and four in Prince Edward Island. Nine owners were involved.

Rigid specifications were set by the Swedish breeders for leanness, fast growth and low feed requirements, and Mr. Trulsson made certain they were met.

Health requirements were also high and one of the reasons Canada was chosen was because of its disease control measures and freedom from foot-and-mouth disease.

RIFLE BARREL IS being hammered to size in special machine at Husqvarna plant. Founded in 1689 firm is among oldest machinery makers in Sweden.

Centre Plans Agreed

The Wenner-Gren Center in Stockholm, an international research centre for all branches of sciences toward the building of which the Swedish financier Dr. Axel Wenner-Gren and his wife have donated $1.5 million, came a step nearer its realization when it was recently announced that the remodeled architectural plans had been approved.

According to the scheme worked out by architects Alf Bydén and Sune Lindström of the Stockholm contracting firm, VBB, the centre will consist of a 25-story building of glass and concrete and a terraced three-story, semi-circular dwelling house.

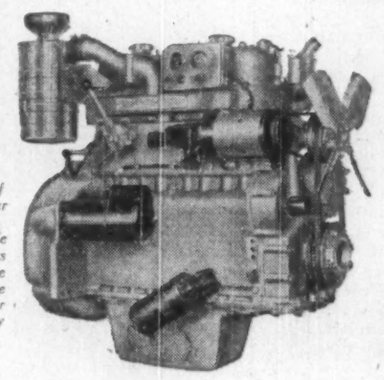
The latter will provide accommodation for some 80 Swedish and foreign research scholars with families, each apartment being provided with a garage.

The 25-story building, the base of which extends into an adjacent three-story building, will house the research centre proper.

The first five stories are planned to include lecture, conference and club rooms, library, administration offices for the Center Foundation and for two scientific academies and other societies, reception, lounge, a hotel for 40 guests and a private hotel for nearly as many single research students, and a restaurant.

Below the building there will be a garage for 300 cars, while the 20 uppermost stories will house research institutes of different kinds.

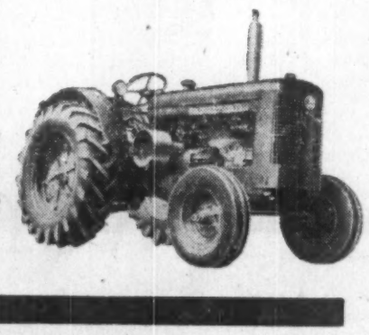
Construction of the Center is scheduled to start by the middle of 1959 and is expected to take about two years.



Diesel engines
There are more than fifty models in the Bolinder direct-injection diesel engine range, available in four sizes, with ratings of 10 to 60 b.h.p. The range includes marine engines and engines for automotive and stationary service.

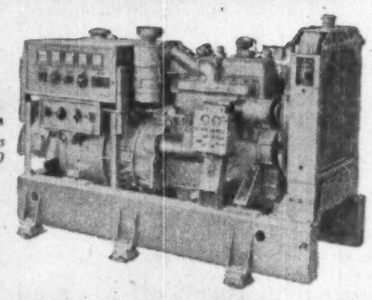
BOLINDER-MUNKTELL

FOR THE THIRD TIME IN THE ARCTIC

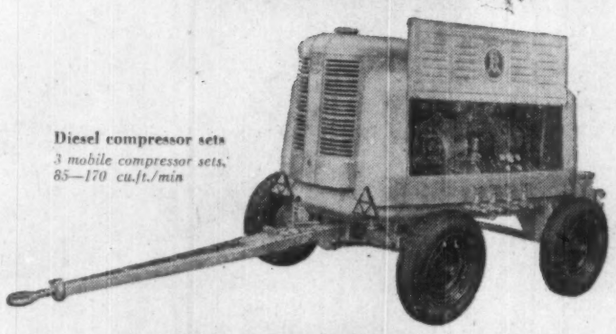


Tractors
The Bolinder-Munktell tractor range includes 7 models from 20 to 60 h.p.: diesel, petrol and kerosene-powered wheel types, and one diesel-powered track type.

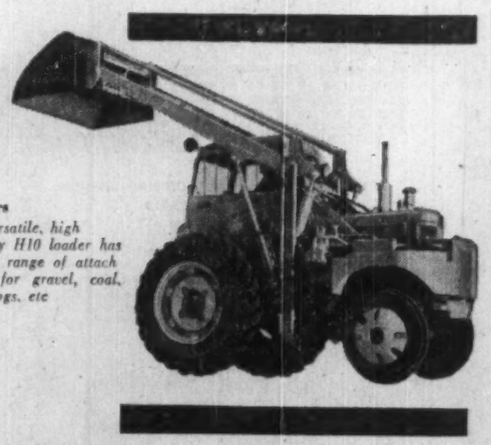
"In spite of the exceptionally hard conditions that prevail in the Arctic Ocean we never had any trouble with the engine in all the seven years we were away..."



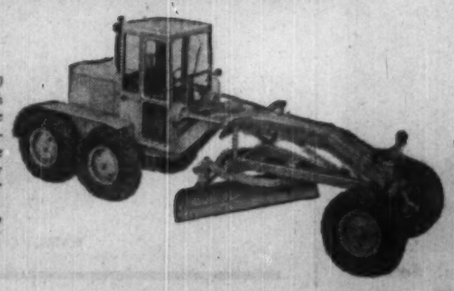
Diesel generating sets
4 diesel generating sets from 7.2 to 29 kVa, 60 c.p.s



Diesel compressor sets
3 mobile compressor sets, 85—170 cu.ft./min



Loaders
The versatile, high capacity H10 loader has a wide range of attachments for gravel, coal, coke, logs, etc



Motor graders
The 10-ton VHK 100 motor grader has a 100 h.p. diesel engine with great lugging power. The VHK 100 has many modern features, for example differential lock, safety clutches for the grader blade and the power control box, vacuum-servo hydraulic brakes

It was a Bolinder marine propulsion engine which merited these proud words from the Norwegian explorer Roald Amundsen on his return to Norway in 1925 from the Arctic Ocean Expedition with the "Maud". Amundsen, like his great predecessor Fritjof Nansen, selected a Bolinder engine for his expedition.

Reliability, long life and running economy explain why Bolinder engines are selected for tough conditions. Today, arctic expeditions are still using Bolinder engines: the Swedish-Finnish-Swiss Spitzbergen Expedition has two Bolinder-Munktell diesel generating sets and a Bolinder-Munktell diesel tractor, and the Norwegian South Pole Expedition has three Bolinder-Munktell diesel generating sets. Bolinder engines are on duty in the Arctic for the third time. They started in 1893, were used in 1918—1925, and are now rendering reliable service during the International Geophysical Year of 1957—58.

All over the world

Fishermen in Hong Kong praise Bolinder marine engines for their reliability and for their ease of operation. Fishermen north of the Arctic Circle praise them for their cold-starting features and their lugging power.

Bolinder-Munktell has manufactured tractors since 1913. They are now one of the biggest tractor manufacturers on the European continent. The eminent torque characteristics and low fuel consumption of the Bolinder engines are also fully utilized in the agile and versatile Bolinder-Munktell H10 loader.

Bolinder-Munktell has manufactured motor graders for more than 30 years. The modern VHK 100 is built both for construction and maintenance work. It is being used in Latin America, South Africa, France, the Middle East and many other parts of the world.

Bolinder-Munktell also builds compressor sets in different sizes for various purposes. Bolinder-Munktell products have been exported for more than 100 years.

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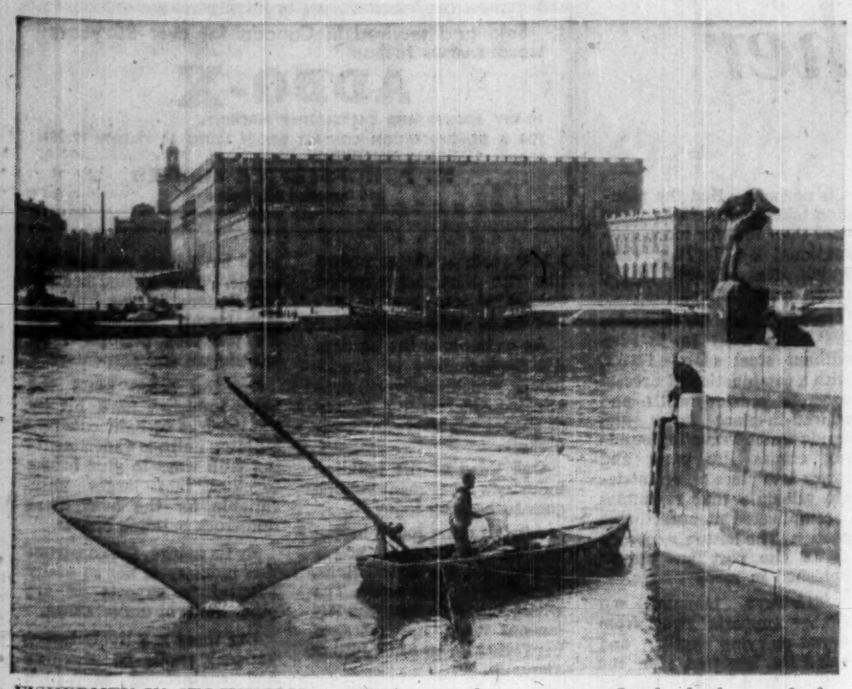


FISHERMEN IN STOCKHOLM provide interest for spectators. In the background, the Royal Palace.

Production

First Half Unchanged

Sweden's industrial production during the first half of the year was of about the same scope as in January-June 1957, according to the statistics of the Federation of Swedish Industries.

The output of both capital and consumer goods remained largely unchanged. However, the trend was weaker in the second quarter of this year than in the same period last year.

The production index for June was registered at 255 as against 256 in the same month of 1957 (1935=100). The seasonally adjusted index for June was 243 compared with 241 for May this year.

A comparison between the first half of 1958 and the first six months of 1957 shows a decline of about 5% for the output of the steel and other metal works.

In the pulp industry output was up slightly in the first quarter but dropped by 10% in the second quarter.

Paper output fell by 1% in January-March and by 4% in the second quarter.

For the timber industry there was some increase, the rise being somewhat larger in the first than in the second quarter.

The food industry showed a considerable rise in the first quarter and was 10% above the level of January-March 1957, while the increase in the second quarter was 4%.

The output in the leather and shoe industry fell by 1% in the first and by 9% in the second quarter compared with the same periods last year.

Figures for the textile industry are available for the first quarter only and show a decline of 3%. Preliminary statistics for the second quarter indicate a decrease in this period also.

Textiles

Comeback by 1965

Sweden's textile consumption is likely to rise after the stagnation in the past few years and is estimated to become 25% larger in 1965 than it was in 1955, provided personal incomes continue to increase, according to a survey by the Swedish Industrial Research Institute.

Textile prices are expected to rise more slowly than other commodity prices. However, the share of clothing in total purchases is likely to remain unchanged at 12%.

Considerable shifts in consumption among different groups and qualities of textiles are to be expected, the Institute says.

The proportion of industrial products will increase and man-made fibres with improved properties will grow in popularity. The consumption of ready-made garments is likely to rise by 40% and knitwear by 25%.

Home-made textiles and handicraft products, on the other hand, are expected to show a drop of 10%, while consumption of textiles for interior decoration will rise somewhat faster than the average for over-all textile consumption.

Sweden's present textile consumption amounts to close on 11 kg per head of the population.

Over the past 25 years the consumption of ready-made garments has shown a more than three-fold increase, while the consumption of other textile goods has risen considerably less.

Three-Mile Long Conveyor Belt Will Cost $6 Million

A double conveyor-belt installation for ore, coal and limestone, the belts of which are altogether more than three miles in length, is at present being constructed for the new Oxelösund steel works belonging to the **Grängesberg-Oxelösund Co.**

It is being built by Nordströms Linbanor, well-known Swedish constructors of conveying machinery, will cost about $6 million and is to be ready in about 18 months.

The ore, which arrives at the railway storing yards of Oxelösund from the company's own inland mines, as well as the other raw materials necessary for steel production — unloaded on the nearby quays — are to be conveyed over an overhead bridge structure to the ironworks.

The capacity of the six miles of conveyor belting posed on 15,000 rollers is to be 1,100 tons p.h. There are to be some viaduct structures.

The amount of corrugated aluminum required for cladding the walls of the bridge structure is 330,000 sq. ft., other record figures including 4½ miles of tubing for encasing the bearing rollers.

Foods Spending Hits $2.4 Billion

The Swedes' aggregate spending on foodstuffs and stimulants totaled $2.4 billion in 1957, an increase of 2% over 1956, according to a survey.

The entire rise was due to higher prices, as the volume of consumption at unchanged prices is estimated to have fallen by 1%. The drop in terms of calories was also 1%.

All groups of foodstuffs, except potatoes, butter and margarine, showed higher values than in 1956. For potatoes and margarine the decline was due to reduced prices, whereas the drop for butter was accounted for by both lower prices and a smaller volume of consumption.

However, the 8% drop in butter consumption was offset by an identical increase in margarine consumption.

This trend persisted during the first four months of the current year but has since been reversed following upon a reduction in butter prices.

Milk consumption is estimated to have dropped by 2% and the consumption of sugar and treacle by 10%. The latter decrease is partly explained by the housewives' stockpiling of sugar during the Suez crisis in 1956.

The consumption of meat and pork showed an increase of 2% each. However, since the prewar years meat consumption has fallen by 10%, whereas the consumption of pork has risen by more than 15%.

Saab Plans To Extend Car Plants

The Swedish Saab Co., manufacturers of aeroplanes and cars, are at present carrying through a large-scale extension of their automobile factories at Trollhättan, west Sweden.

According to the latest issue of the company's house journal "Saab Sonics" the expansion scheme, estimated to cost some $10 million, will make it possible to double production from present 15,000 cars per year to about 30,000 cars in 1960.

A new workshop, with a floor space of 150,000 sq. ft. and a three-story service and office building along one side, is being erected.

It is calculated to be ready in the middle of 1959. Further extensions are planned both at the Trollhättan and the Gothenburg plants.

The medium-sized, front-wheel-driven Saab car has found an ever growing market not only in Scandinavia but also in the Benelux countries, Spain and, above all, in the U. S., where a series of victories in exacting rallies have attracted much attention.

In 1957 some 2,000 Saabs were shipped to the States. This year sales are estimated to reach 4,000 units, a figure which could be considerably increased if production capacity permitted, the company reports.

So far, the car is only sold in the north-eastern states.

In order to meet the growing buying interest in Denmark the Saab company is now also establishing an assembly plant in Copenhagen.

Cold From Heat

A pair of engineering students sat in their Stockholm workshop one night in 1921, looking intently at a home-made arrangement of tubing and steel cylinders.

With mounting fascination they watched the silent appearance of a lump of ice on the contraption's coil.

To their intense pleasure the ice grew larger, chilling the space around it. After a year and a half of experiment, their device worked! They noticed neither cold nor time in their elation.

That autumn Baltzar von Platen and Carl Munters showed the world a refrigerating machine using the absorption principle without a single movement part. The machine produced cold continually, simply with a small heat source and a supply of cooling water. So intensive had been their collaboration that neither was able to specify his own contribution —it was a true two-man job.

Some time later they sold their invention to **AB Electrolux**, which had begun manufacturing of vacuum cleaners and other household appliances a few years before.

Upon graduation from the Royal Institute of Technology they went to work for Electrolux, later leaving to found their own laboratories. Their absorption machine stayed with the company, basically practical but not yet foolproof.

What the young inventors had succeeded in doing was eliminating the pump and throttle valve, essential parts of earlier absorption units. **Instead, they adjusted the difference in pressure levels between evaporator and condenser by introducing hydrogen on the** evaporator side, so that the pressure became constant within the whole unit. The system was started by heat from electricity, gas or kerosene, and thereafter ran itself.

The first Electrolux refinement on the Platen-Munters apparatus was to substitute air cooling of the condenser, in which the ammonia turns from gas to liquid, for water cooling. This was ultimately perfected to permit operation even in tropical climates.

Automatic temperature control and a hundred other subsequent improvements turned this refrigerator into an outstandingly convenient home appliance. While it chiefly runs on electric current, the Electrolux is also found wherever electric power networks or diesel generating plants are far away, and where its modest heat requirements may be satisfied such as gas or kerosene.

By the end of the first decade of manufacture (sales had begun in 1925), the worth of a refrigerator without moving parts was established. Electrolux expanded abroad. Subsidiary manufacturing plants were set up in G. B., France, Germany and Australia. Manufacture on license began in Argentina and elsewhere overseas. Patents were sold to an American company which also grew to imposing size.

Assembly plants sprang up. Today nearly every commercially important part of the globe has an Electrolux sales company or agent.

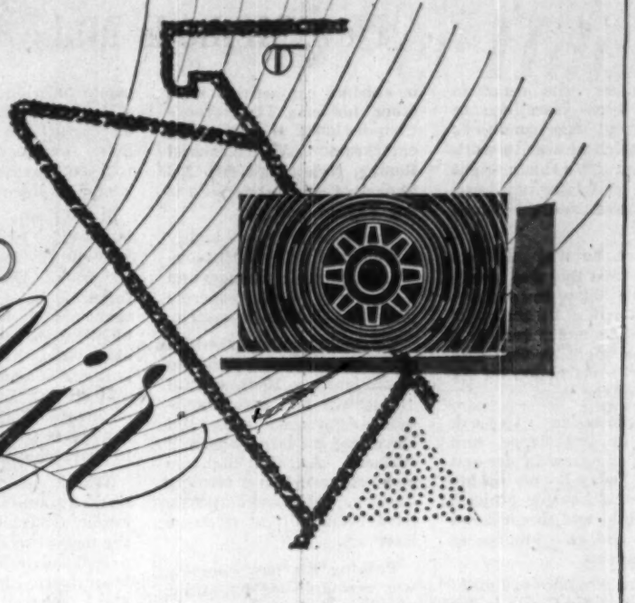
Meanwhile, the "cold from heat" refrigerator literally created a market in Sweden. One third of the nation's families use it today, and the number is rapidly growing.

Almost all new housing provides for refrigerators as part of the **permanent kitchen equipment.** A host of imitators testifies to the product's success.

While refrigerators are prominent in production, the

(Continued on page 78)

THE CHANGING PROFILE OF MANAGED Air



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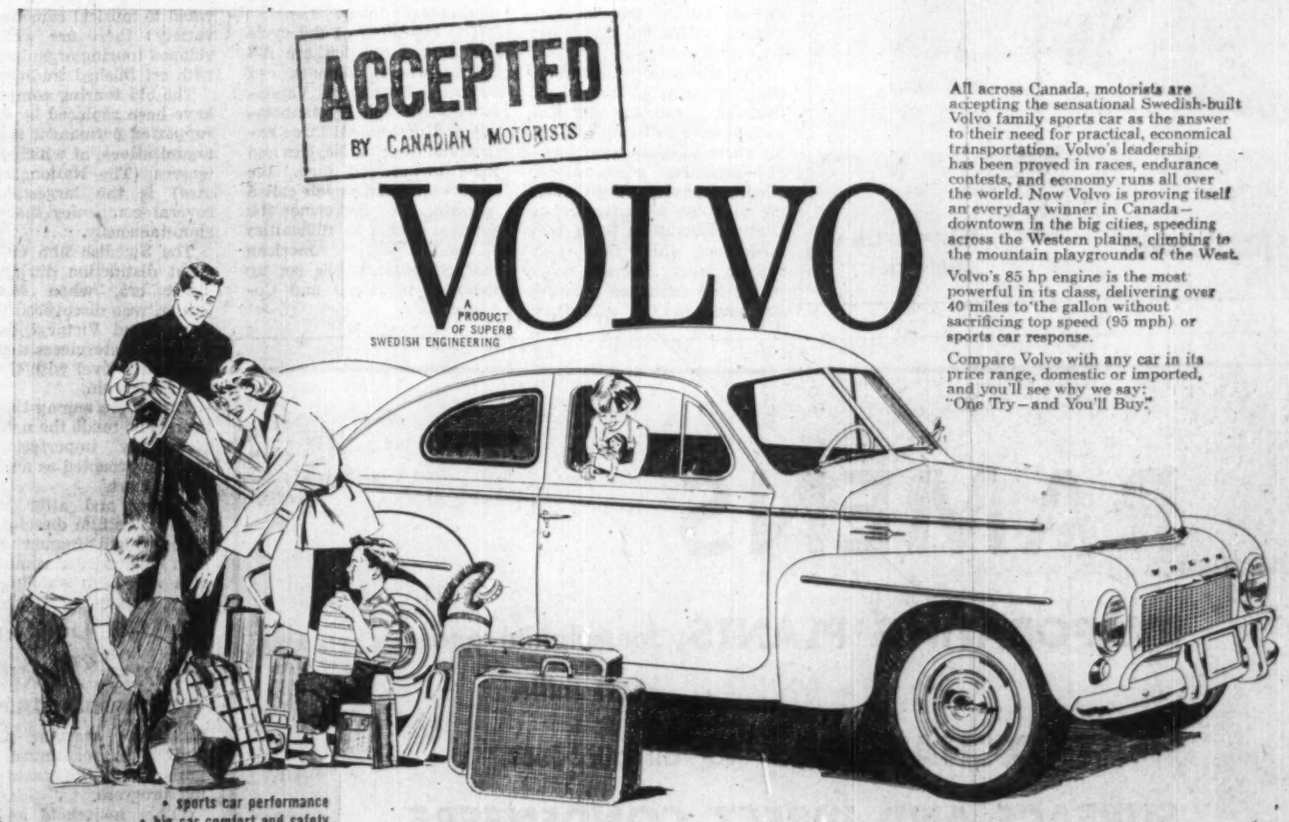

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Dealers Across Canada

How Builders Beat the Weather

New Methods Make It Possible to Build Nearly All Year

A builder who came to Kiruna some years ago to learn about the conditions under which he was to work was told: "We have eight months of winter up here, and four months of poor sledding."

Further, he was informed that the frost line was nearly seven feet below the surface, and that unless he could get his building under roof in a hurry he might as well forget about construction for six months of the year.

The contractor stayed, soaked up experience, and his company grew in size and stature. **Today it puts up industrial and housing projects the length and breadth of Sweden and in a number of places abroad.**

Sweden stretches 900 miles from the Arctic Circle to the latitude of Edinburgh, the frost line varying from 7 feet to a little more than 2½, and the normal outdoor construction season is modified correspondingly.

Yet new methods have made it possible to build practically the year round.

The beginning of what eventually will be a four-lane, crossing-free turnpike extending 300 miles to Stockholm has been made in Skane in an 11-mile stretch from Malmö to Lund. **Four companies got together to build it, after winning the contract in spirited competition with other bidders.** The consortium included the following enterprises: **AB Armerad Betong, Nya Asfalt AB, AB Skanska Cementgjuteriet** and **AB Vägförbättringar.**

Construction was highly mechanized with earth movers, tractors and scrapers and a specially built concrete plant and distributor system.

The main road's total width of 72 ft. is divided into two 23-ft. lanes, a 10-ft. central grass strip and 8-ft. shoulders. Approach roads and cloverleaf are largely asphalt surfaced. As the highway traverses rolling farming country, cattle underpasses have been built at strategic intervals.

Packing the new concrete was accomplished by means of vibrators built by the internationally known Vibroverken of Stockholm. Vibration of concrete is now a construction procedure generally accepted everywhere. Vibroverken also makes soil compacting machinery and paving equipment.

The superhighway is to be part of a widespread road building program, acutely needed in view of the fact that this country has Europe's highest per capita ownership of automobiles.

The difference in construction methods between today and a generation ago, when it comes to bridges, is graphically illustrated by a project at Skuru Sound near Stockholm, designed to provide four-lane traffic to the resort island of Värmdön.

Briefly, the project is building a twin to the 40-year-old reinforced arch over the sound. **Despite the differences in ages, the two spans will be practically identical in appearance. The older was** the pride of its builders — aesthetically it is still an outstanding example of Swedish bridge building. But the construction data are in sharp contrast.

Where up to 120 men worked simultaneously on the fanlike scaffolding supporting the new concrete while ships passed underneath, today's labor force, aided by cranes and a monorail concrete supply system, is at most 30 men. The new span costs some ten times what the old one did, too; if approaches and widening of the older arch are included, it is 12 times. The architectural twins are about 40 inches apart; the intervening space has a screen to prevent the foolhardy from falling between them.

Contractor on the span, ordered by the government building board in 1953, is Nya Asfalt AB, one of Sweden's largest builders.

Bridging plans in Sweden do not stop at the borders, however. A group of three Swedish and three Danish engineering companies has proposed a bridge and tunnel complex over the Sound between Malmö and Copenhagen, as a wag put it, "to end the isolation of Denmark and the Continent."

Urban industrialization, the trend away from farms and the increase in small families seeking their own homes have produced pressures for solving housing problems more cheaply.

One of the more attractive answers in the single-home field is provided by AB Elementhus of Mockfjärd, a company whose basic idea is to prefabricate as much as possible of the elements of houses.

This organization spent several years in research at first, to develop standardized parts so that mass production could play its role, while combinations would provide variety of form.

No special materials are recommended — those cheapest and most suited to the purpose are used. In order to make final designs as flexible as possible despite the standard parts, each section of a house has been divided into separate units.

These are then taken to the construction site and assembled rapidly and without waste.

Multifamily housing is also the subject of extensive rationalization. It has become characteristic of large projects nowadays that the planning takes considerably more time than that for more conventional building, time which often is saved in the actual construction.

Houses as high as 15 stories are being built in Sweden without steel skeletons, with a combination of precast concrete outside walls and poured-in-place floors and inside walls. Traveling building cranes lift parts and forms into place on an intricate schedule that resembles a complicated manufacturing process. The leisurely masonry of the past has almost vanished in many places.

Stairways, mounted on rubber supports away from sound-carrying walls, and balconies, hung on after the sliding forms have passed, are made as units and brought to the site, often by highway.

Thus housing, the largest item on the Swedish construction industry's budget, has profited by the development of portable "factories" for speed and convenience.

Such mobile plants, which produce building units within a few yards of the construction site, have not crowded out conventional prefab companies, however.

An example of the latter is **AB Strängbetong** of Stockholm, which delivers prestressed concrete in a variety of shapes anywhere in Scandinavia.

One third of the building industry's investment volume goes to housing today

After it come roads, industry, communications, power plants and farm buildings, generally in that order. The whole bill including miscellaneous items, has averaged between $1.4 to $1.58 billion annually.

Complete automization of housing construction, in the view of experts, is held to be impossible. There will always be the need for final assembly on the site because of the bulk and weight of the finished product.

But there is still a long way to go in factory production of details, of which complete bathrooms are one example. Plumbing and heating installations in general are still largely handicraft. So are the jobs performed by electricians and carpenters.

On the other hand the brick industry, hard hit by the upsurge of light concrete building units, is experimenting with ways to glue bricks together into larger units suitable for the ever more numerous building cranes.

By its nature, the construction industry is not so easily adapted to exports as are other kinds of undertaking.

But there is a lively international traffic in planning and engineering in which Svenska Entreprenad AB (Sentab) has a prominent place. Sentab has engineers leading construction projects on four continents and has been particularly active in countries embarking on large-scale industrialization. **Bridges, air fields, streets and buildings are among its specialties.**

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Culture

Radio, TV and Theatre

The Swedish broadcasting service is a semi-state-run monopolistic enterprise, but none the less it enjoys a constitutionally independent position.

No political pressure is brought to bear and different opinions in all fields of politics, culture and religion are vented. Sveriges Radio (The Swedish Broadcasting Corporation) is supervised by a seven-member board.

The chairman and three members are appointed by the Government. The corporation's shares are owned by newspapers and radio manufacturers, but the radio broadcasting network is Government property.

No advertising is broadcast. In December 1957 there were 355 listener-licenses per 1,000 inhabitants. In this field, Sweden thus ranks first in Europe.

There are two home services: **the National Program and the Second Program.** In addition there are Overseas and European services, mainly operating on the shortwave band.

Regular TV transmissions are confined to the Stockholm-Norrköping area, comprising about 15 hours of live programs weekly.

A link chain between Stockholm, Gothenburg and Malmö is to be constructed and ready for use in 1958, thus connecting Swedish television with the Eurovision network.

The major home broadcasts are music, theatre, entertainment and news. Music, classical and popular, takes up no less than 47% of the total transmission time. Sveriges Radio may rightly be regarded as the most modernistic and experimentally alert among the musical institutions in Sweden.

Theatrical life in Sweden has flourished actively since the war.

A number of new theatres have been opened; the Royal Dramatic Theatre in Stockholm, Sweden's leading theatre, now has a small additional auditorium, and the same applies to the city theatres of Gothenburg and Malmö.

With its 1,600 seats, the city theatre of Malmö (opened in 1946) is one of the most modern theatres in Europe.

New city theatres have also been opened in Upsala and Norrköping - Linköping; and Hälsingborg has had its own city theatre for some years.

Apart from the numerous theatres (Stockholm has about 20, including those devoted to musical comedy and variety) there are well-developed touring organizations with established traditions.

The old touring companies have been replaced by state-supported permanent touring organizations, of which Riksteatern (The National Theatre) is the largest, with several companies that tour simultaneously.

The Swedish film enjoyed great distinction during the silent era, when Mauritz Stiller, who discovered Greta Garbo, and Victor Sjöström created masterpieces that put them on a level with Griffith and Eisenstein.

They were among the pioneers who made the new and technically imperfect film medium accepted as an independent art.

During and after World War 11 the film directors Alf Sjöberg and Ingmar Bergman have created some films of a very high standing.

Aircraft

Thriving Business

As an air-minded nation Sweden has its own airplane industry in Saab at Linköping, which in little more than a decade has developed from a maker of foreign models on license to the major supplier of the Swedish Air Force. Svenska Flygmotor of Trollhättan builds the aircraft motors, including the latest jet engine designs.

The international situation being what it is, Saab and Svenska Flygmotor can expect to have full employment for years to come with Swedish-designed craft alone. Slack periods have been taken up with the manufacture of civilian aircraft at Saab, two models of which have won foreign favor, whereas Flygmotor has produced printing machines for its subsidiary company, Grafiska Maskin AB.

Automotive equipment manufacturers include the half-century old Trelleborgs Gummifabriks AB, tire makers for cycle, automobile and airplane industries, and specialists on belting, hoses and mechanical rubber.

The big three of the cycle industry in Sweden are AB Cykelfabriken Monark of Varberg, Husqvarna Vapenfabriks AB and Nymanbolagen of Uppsala. All three export motorcycles, bicycles and their in-between form, the motor-equipped bicycle called mopede. To overcome the foreign exchange difficulties in the South American market, Monark has set up factories in Brazil and Colombia.

Made Cold From 'Heat'

(CONTINUED FROM P. 77)

Electrolux vacuum cleaner division has continued to be important in the manufacturing program.

Other **household and kitchen appliances also** flourish. In the case of this worldwide company there is illustrated once again the part of private initiative.

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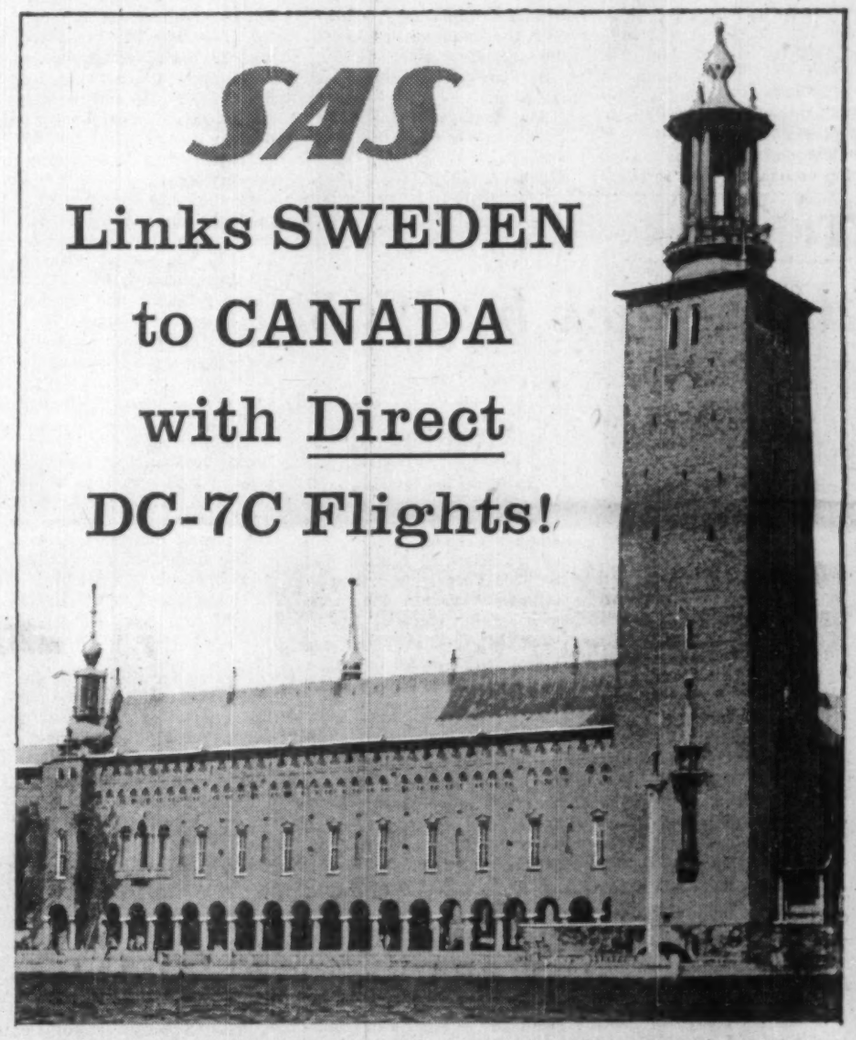

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Social Welfare

$980 Million Benefits

Sweden's public social welfare program has been extensively developed under post-war legislation. In 1955 the total expenditure for social welfare measures amounted to $980,000,000, not including investments, which was 12% of the net national income and 13% of the total official and private consumption. If this sum is divided by the whole population $135 are used on social welfare for each inhabitant.

With consideration taken only to the population between 15 and 64, the corresponding outlay is $208.

Four different kinds of insurance makeup the base of the social welfare structure:

The national retirement pension is the most expensive reform. In 1955 the total cost amounted to about $320,000,000.

The benefits consist of old age pension, paid to all people at the age of 67, and of disablement pension and widow's pension; on top of these benefits there are special family allowances for children under 16.

The pensioners get a basic sum regardless of their economic situation, and this sum assures them a minimum means of support.

A married couple, who are both pensioners, receive a 60% higher pension than a single person.

Disablement and widow's pension can be reduced or withdrawn if there exists an appreciable income beside the pension.

To all pensions are added means-tested municipal supplementary benefits. Because of a certain index regulation pensions are constant in value.

As the standard of living has risen for the economically active part of the population, the pensions have been increased, and thus the pensioners have had their due of the improved standard of living.

The state, the communities and the policy-holders finance the pensions. Even people who have not paid any fees during the economically active part of their lives receive pensions. In 1955 863,000 people, somewhat less than 16% of the population over 16, received pensions of some kind.

Of these, 680,000 were old age pensioners, 128,000 disabled persons and 18,000 widows. 37,000 special family allowances were paid in 1955.

In 1957, a state committee propounded a proposition to improve existing national pensions and bring about a general system on an insurance basis.

Compulsory health insurance was introduced in 1955, and it covers all the inhabitants of the country, irrespective of age, health and sex.

Everybody receives free medical care in hospitals and certain medicines for chronic illnesses; compensations are given for doctor's care and travel costs, and recipe medicines are sold at reduced prices.

In the compulsory health insurance a **maternity grant** is included. The confinement is free. Every mother receives a basic sum of $54, and if she is employed, she gets an additional daily benefit for 90 days, equal to the compensation while she is ill.

In principle the cash benefits of the salaried people and wage-earners compensate about two thirds of the loss of income.

In 1955 the total cost for the health insurance and the maternity benefits amounted to more than $140,000,000 of which the insured paid 50%, the employers and the state about 25% each.

On-the-job accident insurance (including accidents incurred while on the way to and from work) must be carried by all employers for the benefit of the employees and their families, granting them equivalent protection against loss of income.

All on-the-job accidents, where the injury is healed within three months (more than 90% of all cases) are covered by the compulsory health insurance.

The insurance for on-the-job accidents has thus become mainly a disablement pension or a death grant.

The size of the allowance is decided by the yearly income of the injured person, and, in case of disablement by the degree of disablement.

The highest life annuity (with an income of $3,000 and 100% disablement) is $2,200 a year.

Voluntary unemployment insurance is administered by the trade unions with state subsidies.

In reality the insurance is compulsory for the members of such trade unions as have an unemployment fund, as those unions have made it a condition for their members to belong to the fund.

In a year the members can get compensations for 20-35 weeks' unemployment.

In 1955 about 1.2 million employees were members of unemployment benefit societies, and the number of days of assistance was 3.5 per member.

The state subsidies amounted to $7,000,000.

The goal of state family policy is to distribute the cost of raising children over the entire population.

The living standard of families with many children is improved by granting the families assistance in the form of cash, goods and services.

A tax-free cash grant is given for every child under 16 of $80 a year.

A monthly cash grant of $7 is given also to children of 16 and 17 who are at school.

THE MOST NORTHERN golf course in the world. In Lappland you can play golf north of the Arctic Circle in the light of the midnight sun.

National Sports

Swedes 'Live Outdoors'

Sports and outdoor life play a dominating role in Swedish communities.

The Swedish Sports Federation, founded in 1903, is the biggest organization.

It embraces about 9,000 clubs with a membership of 950,000, and administers 34 branch associations. Equestrian sports, motoring, sailing and shooting, which have organizations of their own, do not belong to the Federation.

Of special importance in the field of recreation is the Society for the promotion of skiing and outdoor life. It is estimated that six out of every 10 men aged between 15 and 50 engage in some sport; for women the ratio is 15% between the age limits of 15 and 40.

Every fourth Swede is an active member of some officially recognized sport or open air club, but almost all sportsmen are amateurs.

Association football is the most popular Swedish sport.

The Swedish Football Association embraces more than 3,000 clubs, and in the autumn about 6,000 matches are played every Sunday.

Skiing ranks next in popularity, followed by track and field athletics, gymnastics and "orienteering."

This is a Swedish specialty.

In "orienteering" a sportsman, alone in a forest with a map and compass, must locate several places marked on the map between the starting point and goal, which may be several miles away, as quickly as possible.

Bandy is another Nordic specialty, which bears some resemblance to ice hockey.

It is, however, played by teams of 11 members, and with a ball instead of a puck. The number of sports fields in Sweden amounts to about 2,500, but there are only five sports arenas which can hold more than 25,000 spectators, and ten for 15,000-20,000.

There are about 70 sports halls, 60 indoor swimming pools, 160 jumping hills and 125 slalom slopes in Sweden. Electrically lighted hockey rinks number about 300, and of these twelve have artificial ice.

The state supports sport by annual subsidies from part of the profits from AB Tipstjänst, the State-run Football Pools. The amount of these appropriations is decided by Parliament after suggestions from the Swedish Sports Federation. For the budget year 1956-57 the grant was $2 million, of which one third is being used for construction of new establishments.

Of even greater importance, however, is the support given by the municipalities. To a very large extent they have assumed the responsibility for the administration and maintenance of sport establishments, and in many cases they even give cash contributions to the different clubs.

Policies

Two Per House

Two life insurance policies per household is the average in Sweden.

The most common is the life and endowment insurance; at the end of 1955 all company policies totaled $3,560 million.

In 1955 the total premiums paid for direct insurance in Sweden amounted to $372 million, over half of which was for life insurance.

The growth of group life insurance and automobile insurance has been particularly vigorous.

The total assets of the Swedish companies at the end of 1955 attained $2,400 million.

Even when taking the decline in the value of money into account, the growth was substantial, especially if one considers the simultaneous rapid growth of the public social security system (old age pensions, health insurance and family allowances for children).

The total number of private insurance companies is approximately 1,200, of which 112 operate over the whole country, or, at least, in more than one county.

Several of the companies with nation-wide operations co-operate closely in groups.

If every such group and each independent company is regarded as one unit, one finds that the 20 units receiving the largest amounts of premiums in direct insurance account for 90% of the total premiums.

Thirty-five foreign companies operate in Sweden, and their premiums amount to a little over 2% of the total figure.

Next to life insurance, the largest branch is automobile insurance. From motorists' third party insurance, which is compulsory, there was in 1954 a premium income of $33 million.

Other types of automobile insurance, viz. the fire, theft and material damage subsections, accounted for another $21.7 million.

Fire insurance until recently was the second largest branch, but due to the rapid growth of automobile insurance it now occupies third place.

The total premium income amounted to $43.1 million in 1955 and the total amount insured was $48,800 million.

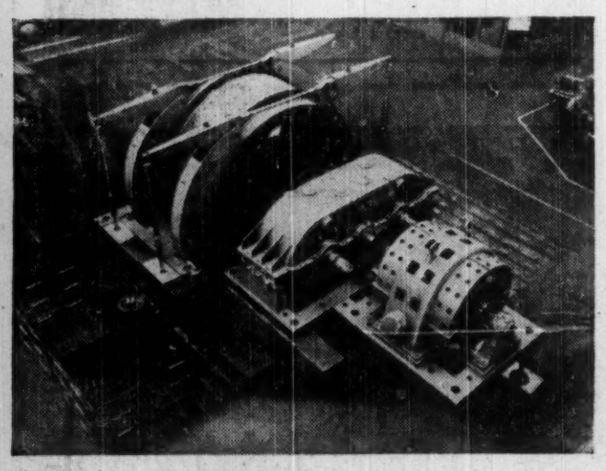
With few exceptions all companies doing country-wide business are members of the Swedish Insurance Companies' Association.

Farmer's Protection

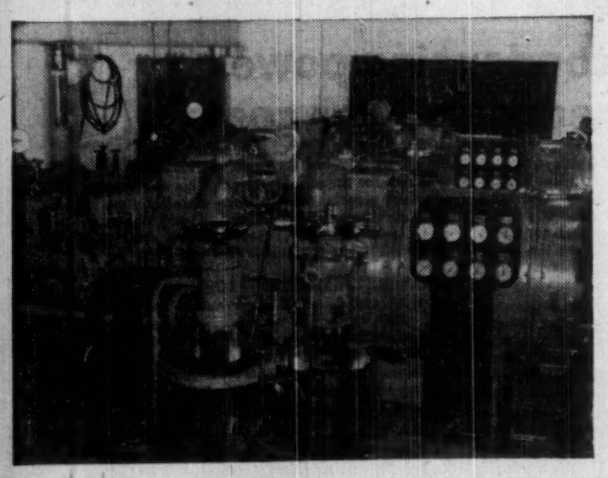
Almost every Swedish farmer is a member of the country's agricultural co-operatives.

These are mainly producers' co-operatives, which both sell farm products and purchase the commodities needed on the farm.

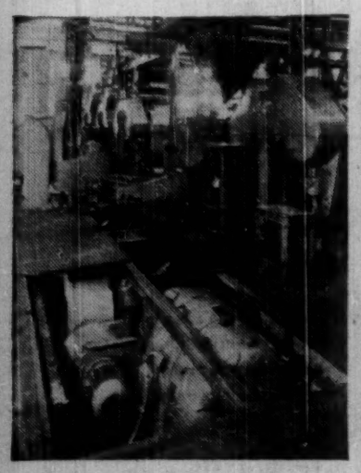
At the beginning of 1957 a total of 355,000 farmers belonged to one or more of the 12 national branch organizations of the Federation of Swedish Farmers' Associations.

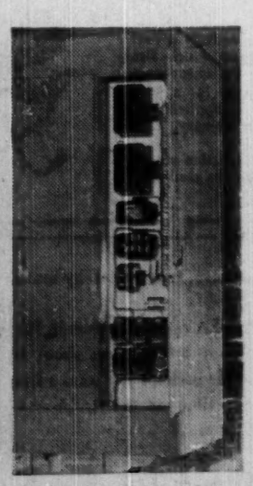


ASEA Friction Drive Mine Hoist—nine installed or on order for Algoma Ore Properties Ltd., Falconbridge Nickel Mines Ltd., Madsen Red Lake Gold Mines Ltd. and Caland Ore Co. Ltd.



Two 2000 KW STAL Turbogenerators in service at Strathcona Paper Co. Ltd., Strathcona, Ont.





One of 2 ASEA 75 hp 3 phase commutator motors driving 6 unit Goss press at Maclean-Hunter Publishing Co., Toronto. ASEA control centre for these drive motors is illustrated on right.

ASEA STAL

POWER, TRANSMISSION AND INDUSTRIAL ELECTRICAL EQUIPMENT, MINE HOISTS

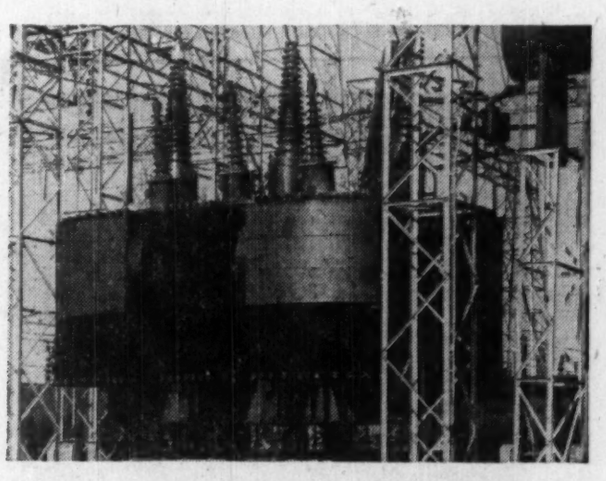
RADIAL FLOW DOUBLE ROTATION STEAM TURBO-GENERATORS

The entire resources of these world-renowned Swedish companies are at your disposal through our 3 Canadian offices.

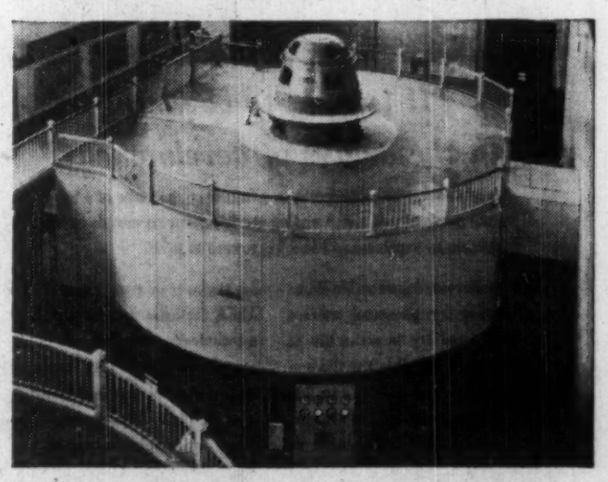
Illustrated are examples of ASEA and STAL equipment serving Canadian industry today.

CANADIAN ASEA ELECTRIC LIMITED

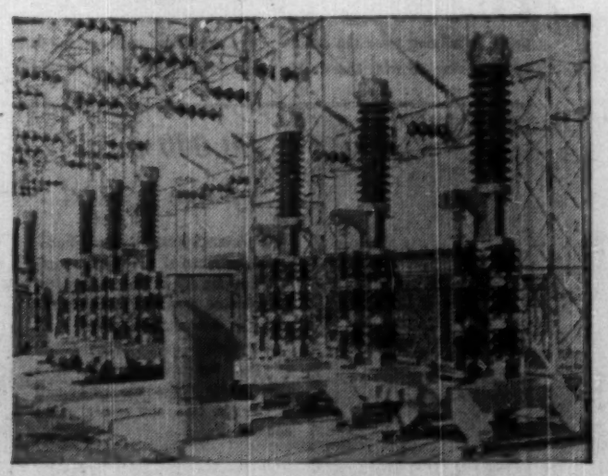
TORONTO MONTREAL VANCOUVER



One of 2 ASEA 104,00/115,00/52,000 KVA, 228.8/116.9/12.75 KV Transformers in service with the Hydro Electric Power Commission of Ontario. (Photo courtesy Ontario Hydro)

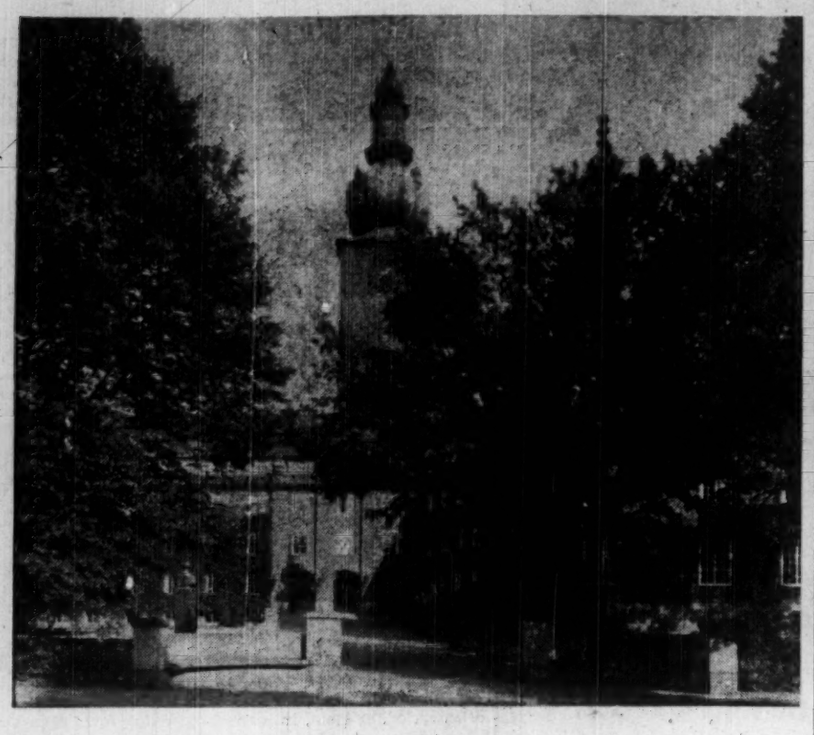


36,000 KVA ASEA Generator at Shawinigan Water & Power Co. Rapide Blanc Power Development. (Photo courtesy Shawinigan Water & Power Co.)



Eight 138KV, 2500MVA, ASEA oil minimum contraction Circuit Breakers installed at a new British Columbia power station.

A PAGE OF POWER



A quiet place

somewhere in Sweden...

In the very heart of Sweden there is a nice little town named Västerås. It looks so quiet, so dreamingly idyllic, and yet it is one of the most active industrial centers in Sweden. The silhouette of that little town is dominated by an impressive tower telling you that here is the headquarters of an internationally renowned industrial organization — the ASEA group.

•

ASEA's origin dates back to 1883, the year in which the firm began to manufacture electrical machines in accordance with Jonas Wenström's designs and patents.

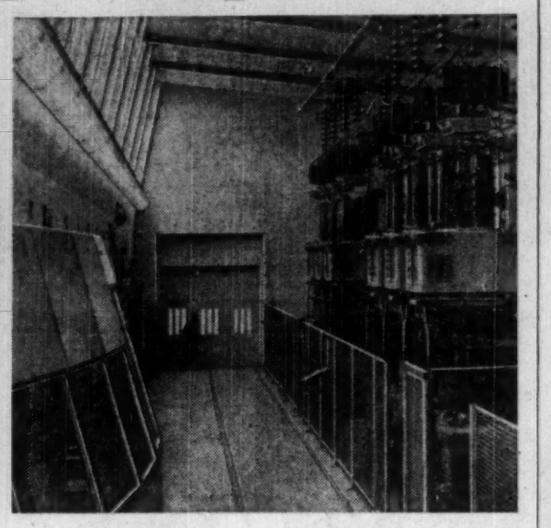
This inventor—one of the pioneers of electricity—is especially remembered for his work on the three-phase system for which he was granted patents in Great Britain and Sweden in 1891.

The unprecedented rate of expansion of the uses of electricity has been the underlying basis of ASEA's development. Even if a large part of the work of ASEA is of an international nature, the electrification of Sweden itself has given and is still giving the company comprehensive and interesting tasks. Virtually all the electrical machines used in the Swedish hydro-electric power-stations come from ASEA's workshops.

The fact that the greater part of Sweden's water resources are far away from the centers of consumption has accentuated the need for practical solutions to problems connected with long-distance transmission of major quantities of power. Because of that there has been a wide field open to pioneer achievements and creating of valuable experiences, now available to ASEA's clients all over the world.

And you may be sure they are asked for! The tiny pioneering company, which first started in an attic room with 7 workers in that quiet little town, has grown into one of the largest industrial groups in Sweden with more than 35,000 employees and representation in 50 countries.

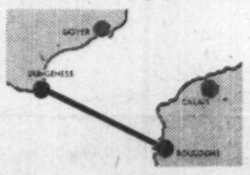
Take a close look at this picture...



—power experts throughout the world think it is sensational!

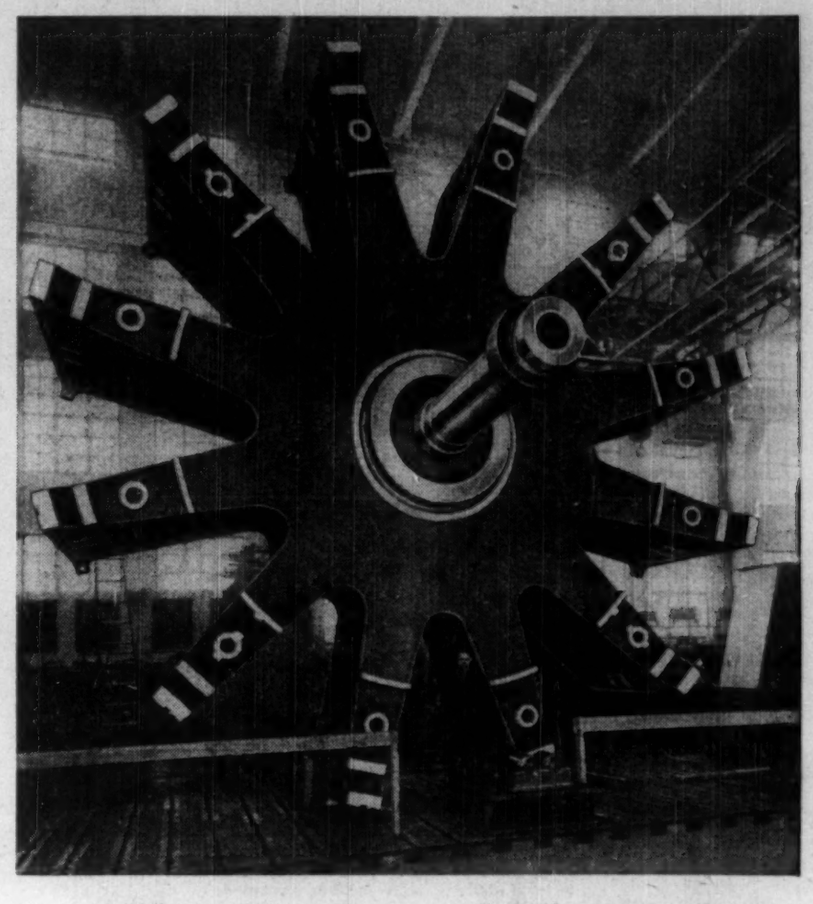
The curtain rose on a new epoch in power-transmission history when the first high-voltage d.c. transmission system from the Swedish mainland to the island of Gotland was put into service in the spring of 1954. This plant is another »world's first» ASEA development.

The photo above shows the valve hall in the Gotland station. ASEA has supplied the equipment, and the entire system is the result of many years of development and research carried out by ASEA.



It may interest you to know that the system developed by ASEA has been adopted for the transmission of power across the English Channel, and the converter equipment has been ordered from ASEA.

Behind those walls at the ASEA factories in Västerås there is an intense work on experimenting and research going on. Laboratories with sufficient resources for rational development work were established already at an early stage and stand to-day on highest international level.



WORLD'S RECORD

in GENERATOR size

ASEA's early activity in the power field may be seen from, for instance, the world's record in generator size held already at the turn of the century. Many of the generators supplied in more recent years, or on order now, also rank among the largest in the world.

•

The picture above shows the spider of one of the three 150,000 kVA generators for the Stornorrfors power-station now in erection in Sweden, so far the largest waterwheel generators in the world. The first of these units has just been started up.

Equally impressive is the ASEA production of large transformer units. ASEA have, time after time, built transformers which exceed in power and voltage everything previously existing. By the development of high-voltage circuit-breakers of oil-minimum and air-blast type, ASEA have met the increased demands made on breaking capacities called for by the expanding networks and higher transmission voltages. Isolators, protective relays, automatic regulators, remote-control equipment, lightning arresters power capacitors etc. have also undergone continuous development so as to be able to perform their ever more exacting tasks. A considerable production of semi-conductor and mercury-arc rectifiers satisfies the need for d.c. equipment.

"It is good to be young in these days of development"

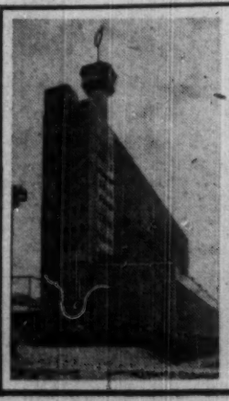
You need not be sentimental to admit that the smile of a happy child is a goal well worth aiming at. Whatever we can do to help children to happiness will be a big reward in itself.

ASEA devote considerable sums of money for personnel welfare schemes and try to make life as agreeable as possible for the employees. This of course is in line with the old proverb that »charity begins at home». But at the same time this activity is to be looked upon as an aim, lying behind the whole policy of the company.

Now as for power ASEA puts a pride in helping raise the standard of living all over the world.

An engineer or a workman at the ASEA factories may be proud of a technically well done job in his capacity of a craftsman. But sure he is still more proud in knowing that his job helps making life easier for people perhaps on the other side of the globe.

Development is the motto of these days. And development in the field of power is the means to create gay and happy smiles on the faces of children all over the world.



50,000 tons of ore a day!

This picture shows the main headframe building of the Luossavaara-Kirunavaara AB in Kiruna, Sweden. It contains 8 ASEA mine hoists with a ore-hoisting capacity of 50,000 tons a day. The hoists are of the multi-rope friction-drive type, which ASEA has introduced in Canada, USA and several other countries.

•

Behind the PRODUCTION curtains

The share capital of ASEA amounts to 303.75 mill. Sw. Crs. —Number of shareholders approx. 30,000.

•

At the beginning of 1958 ASEA had delivered or had on order 68 transformers for 400,000 V with a total rating of more than 10 million kVA.

•

The three-phase commutator motor is originally an ASEA invention. ASEA's commutator motors for printing-press operation are now used by many large printing houses both inside and outside Europe. Among the leading newspapers, for which ASEA has supplied driving equipment, is also The Financial Post.

•

Two remarkable ASEA inventions are automatic electro-hydraulic electrode regulators and induction stirring of the melt in arc furnaces. The stirrer has aroused international interest, and stirring equipment has been ordered from ASEA for large furnaces in the USA as well as in most of the leading industrial countries in Europe.

•

Large high-frequency melting furnaces have been an ASEA speciality for more than 20 years.

•

The equipment used in the Stockholm underground railway comes largely from ASEA: the traction equipment for the 450 coaches and their power supply, metal-clad distribution boards and switch-gear, cables and lightning equipment, stand-by power plant and 41 escalators which in the space of 2½ hours can carry one million people between the tunnel and the street level.

•

Sweden has the world's longest electric railway system. ASEA have delivered practically all the electrical equipment both for the rolling stock and power supply.

The man with the QUALITY STAMP

One day you will meet this man. It may be at a point of time when you have a difficult problem to solve concerning your electrical equipment; or it may be on a day when replacements are needed; or it may be at the very starting of a new enterprise...

Whenever there is a need for the advice of an expert, and whenever quality gets a chance to say its word the ASEA-representative is the man to see. All over the world the reputation of ASEA-quality has become established. The very name of the firm—the four letters A S E A—has got the strength of a quality stamp and a guarantee of reliability.

Let the name of ASEA act like an electric spark into your mind as soon as a problem arises in the field of electricity. If you establish a contact with the ASEA-representative you will find that your problems will be efficiently taken care of, new ways will open themselves and new possibilities show up.—You can rely on that man—he has got the sense of responsibility which makes the basis of the world-wide ASEA reputation.

Pioneer work in the field of NUCLEAR ENERGY

Right from the beginning ASEA have taken a large interest in research work on various fields of electricity. Then it is natural that even the problems of nuclear energy have been carefully studied.

After ten years of development work in this field, ASEA now is engaged in the designing of equipment forth first nuclear power and heat-generating plants in Sweden.

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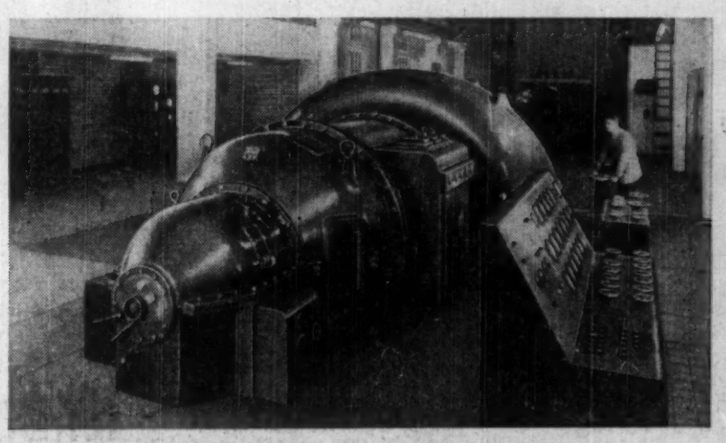

Non-condensing power helps reduce power costs

● Non-condensing power is a means to reduce power costs in industries which utilize heat in the form of low-pressure steam. Generally speaking, power cannot be obtained at a lower cost than in a non-condensing turbine, which converts the pressure drop between the boiler and the process into power.

High turbine efficiency is of utmost importance to ensure maximum power production from a given steam flow. The unsurpassed efficiency of the STAL turbine renders it particularly suitable for non-condensing applications. STAL is the well-known abbreviation of Svenska Turbin AB Ljungström, a member of the ASEA group of companies, manufacturing Steam Turbines, Gas Turbines, Compressors, Refrigerating Machinery etc. The pulp and paper industry constitutes a case in point where STAL non-condensing turbines can help to reduce the power bill.

The non-condensing turbines constitute a part of STAL's manufacturing program which also comprises condensing turbines for outputs up to the largest, extraction turbines for a wide variety of industrial and heating applications, gas turbines and refrigeration machinery.

STAL's GAS TURBINES for generation of mechanical and electrical power for the civil market climax years of successful development of turbojets for the military forces. This new type of power machine has features—simple design, easy installation, inexpensive and easy operation, high efficiency, short starting time—which will make it valuable in a vast field.

STAL's REFRIGERATING MACHINERY is the efficient and dependable servant of the food and other industries, of transport companies, and scientific research etc. Hundreds of ships have been equipped with STAL's refrigerating machines. Deep freezers are also supplied for a variety of purposes. STAL is the leading manufacturer of refrigerating machinery in Sweden.

STAL non-condensing turbines are in operation in pulp and paper mills in more than twenty countries around the world including Canada.

STAL *Finspong*

ASEA

● ASEA of today is a concern, represented by branch-offices and industrial plants all over the world.

In Canada you will find ASEA representatives in Montreal, Toronto and Vancouver. Maybe you just want to know a little more about ASEA than has been possible to tell in this advertisement; or perhaps you want a friendly discussion with an ASEA-expert: don't hesitate to call upon the ASEA-man—it may be the beginning of years of fruitful co-operation...

A S E A • V Ä S T E R Å S • S W E D E N